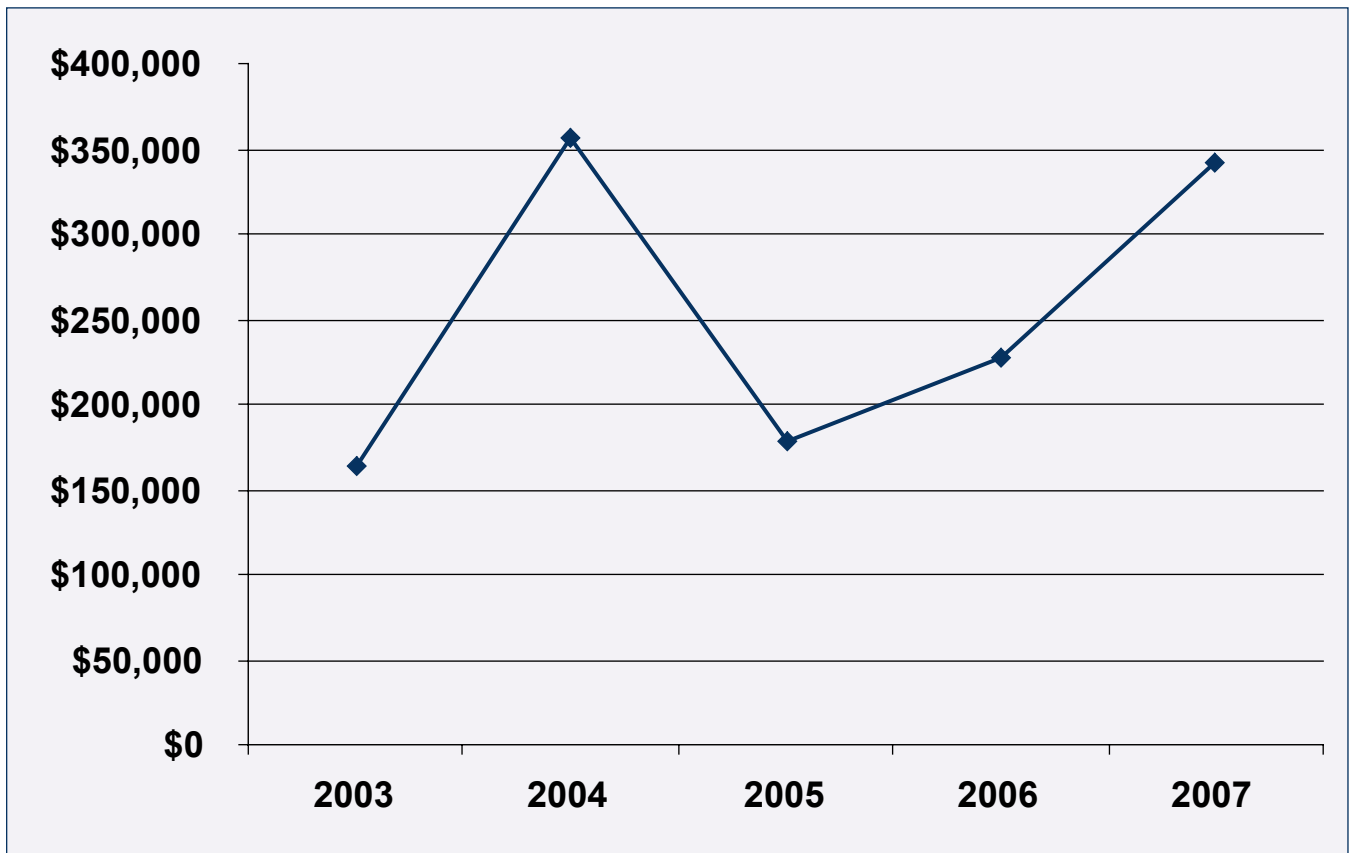


**ADULT CORRECTIONS SERVICES**  
**BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
163,531	356,822	178,216	226,694	342,310
	118.20%	-50.05%	27.20%	51.00%

**Note:**

- Decreases in cost in FY 2005 was due to reduction in the number of individuals being held in the Adult Detention Center

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Adult Corrections</b>					
ASAP	(4,000)	-	-	31	100.00%
County She	206,433	226,694	226,694	342,279	50.99%
	202,433	226,694	226,694	342,310	51.00%

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Courts</b>					
Prof Svcs	7,800	10,500	10,500	10,000	-4.76%
Repairs	-	500	6,500	500	0.00%
Mntnc/Srvc	111	1,550	1,550	1,550	0.00%
Prnt/Bndng	184	600	600	700	16.67%
Laundry	-	200	200	200	0.00%
Telecom	87	377	377	377	0.00%
Eqpmnt Rnt	-	4,199	4,199	4,199	0.00%
Confernces	299	600	600	800	33.33%
DuesMember	180	250	250	250	0.00%
OfficeSupp	80	1,000	1,000	1,240	24.00%
Uniforms	-	1,000	1,000	1,000	0.00%
Books	950	1,700	1,700	1,800	5.88%
OthrOpSupp	2,361	6,000	6,000	7,000	16.67%
Machinery	-	-	39,582	-	0.00%
Furniture	-	-	2,600	-	0.00%
	12,052	28,476	76,658	29,616	4.00%

# PUBLIC SAFETY

## SHERIFF'S OFFICE – FY 2006-2007

The Falls Church City Sheriff's Office is responsible for General District and Juvenile and Domestic Relations courtroom security, the serving of both civil and criminal papers, transporting prisoners, and conducting Sheriff's sales at the order of the Courts. The Sheriff's Office, annually, assists the Falls Church Police Department with traffic enforcement and control, walking patrol, crowd and traffic control at major events, and participates in the regional Smooth Operator Program. We receive Federal Grants to conduct Infrastructures Patrols and maintain the security of the City's water system.

One of the primary duties of the Office is to provide security to the courts and therefore, the Office maintains security for 27 Juvenile and Domestic Relations court days, and for 47 General District Court days. Annually, this Office serves approximately 3,508 court papers and transports approximately 300 prisoners from correctional facilities to courts, and then returns them to the correctional facility. As part of the Sheriff's community outreach effort, the Office fingerprints approximately 275 persons annually, including city residents, children and non-residents; checks and installs approximately 300 child safety seats; sponsors Operation Safe Halloween; and provides funeral escorts. The Office oversees approximately 15 evictions annually.

**Employees:**

- 1.0 - Sheriff
- 1.0 - Chief Deputy Sheriff
- 2.0 - Full Time Deputy Sheriffs
- 1.0 - Part Time Sergeants
- 2.0 - Part Time Deputies
- 12.0 - Reserve Deputies
- 0.9 - Administrative Assistant

### **Performance Measures:**

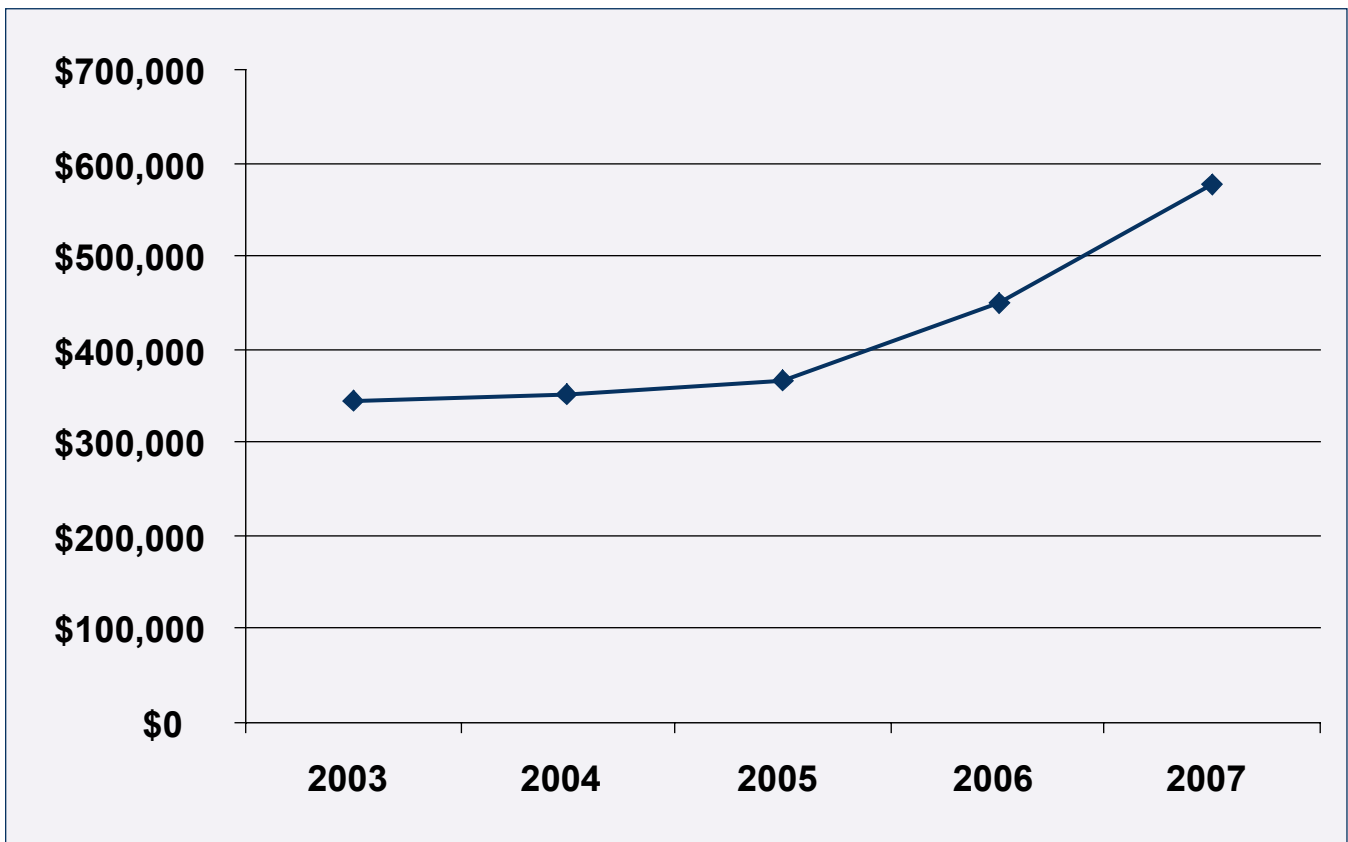
- Serve 98% of court papers received daily.
- Issue approximately 850 moving motor vehicle violations annually.

### **Community Service Program:**

The Office created the Falls Church Community Service Program in December 2005. To date, eight people have participated in the Program and have completed a total of 180 hours. All community service is being performed within the City. Some of the tasks performed include volunteering at local churches and at Sunrise Assisted Living facility, cleaning City vehicles, cleaning the courtroom and various areas of City Hall, and picking up trash from the grounds of City Hall, the Community Center and Cherry Hill Park.

## SHERIFF'S OFFICE

### BUDGET TREND: FY 2003-2007



#### 2003

343,159

#### 2004

351,612

2.46%

#### 2005

364,600

3.69%

#### 2006

448,964

23.14%

#### 2007

578,017

28.74%

#### Note:

- A part-time Deputy position was upgraded to full time in mid-FY 2006.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Sheriff</b>					
Salary Reg	211,480	226,055	251,722	300,432	32.90%
Salary Reg	-		44,300	-	
Salary OT	4,223	6,000	6,000	5,000	-16.67%
Salary OT	-	2,500	2,500	2,500	0.00%
Salary OT	928	-	-	-	0.00%
SalaryTemp	51,022	35,000	35,000	45,000	28.57%
SalaryTemp	1,619	-	-	-	0.00%
FICA	19,574	20,812	22,776	26,967	29.57%
FICA	191	-	-	-	0.00%
VRS	8,639	9,225	13,725	15,022	62.83%
CityRetire	332	-	-	851	100.00%
Health	23,069	27,818	39,962	43,958	58.02%
Health	58	-	-	-	0.00%
Group Life	300	351	351	351	0.00%
Disability	1,196	1,393	1,393	1,393	0.00%
Wrkrs Comp	2,544	-	-	2,544	100.00%
Sectn 125	520	-	-	520	100.00%
Defrd Comp	1,501	1,560	1,560	2,080	33.33%
Defrd Comp	9	-	480	-	0.00%
Prof Srvcs	1,000	100	100	100	0.00%
Repairs	6,760	10,000	10,000	15,000	50.00%
Mntnc/Srvc	-	200	200	200	0.00%
Prnt/Bndng	1,375	1,500	1,500	1,500	0.00%
Cntrl Copy	-	200	200	200	0.00%
Postage	748	950	950	1,100	15.79%
Telecom	1,243	4,500	4,500	5,000	11.11%
Vehcl Inrc	8,402	10,000	10,000	10,000	0.00%
Eqpmnt Rnt	(1,603)	22,000	22,000	21,000	-4.55%
Mileage	-	1,200	1,200	1,200	0.00%
Confernces	1,141	2,500	2,500	2,500	0.00%
NVCJA	5,778	8,400	8,400	7,700	-8.33%
DuesMember	462	550	550	550	0.00%
OfficeSupp	3,991	7,500	7,500	6,000	-20.00%
Fuels	5,745	8,000	8,000	12,000	50.00%
Veh Equip	-	13,000	13,000	10,000	-23.08%
Uniforms	1,809	7,000	7,000	10,000	42.86%
OthrOpSupp	546	1,500	1,500	1,500	0.00%
PoliceSupp	13,182	11,000	11,000	10,000	-9.09%
Donations	-	150	150	150	0.00%
Grant	-	8,000	8,000	4,000	-50.00%
Comm Eqpmt	-	-	-	11,700	100.00%
	377,782	448,964	538,019	578,017	28.74%



# EDUCATION EXPENDITURES



CITY  
OF **FALLS**  
**CHURCH**





## SCHOOL BOARD CHAIRMAN'S MESSAGE

The theme for the 2006-07 School Board budget was "Taking Care of Needs while Being Mindful of the 'Diet.'" In developing this budget, the School Board kept to its Strategic Plan priorities, and highest priority was given to keeping teachers' salaries competitive with surrounding jurisdictions. Under this budget, teachers will receive a step and 4.1 percent COLA. This is important to insure that we attract and retain the high quality teachers that our students deserve.

While this budget also includes some important new initiatives, large portions of these initiatives were funded through reprogramming of dollars. Every line item of the budget was scrutinized for possible savings. As presented, this Budget fully funds the strategic and operating needs of the schools and its programs. Our vision is one of continuous improvement, and this budget allows for improvement.

We are requesting an Operating Budget of \$33,963,459, which is a 9.4 percent increase over our Operating Budget of FY 2006. As you know, our FY 2007 Budget includes an unusually large payment to the Virginia Retirement System (VRS). Without the extraordinary increase in payment to the VRS of \$672,000, our Operating Budget request would have been only 7.2 percent higher than FY 2006.

Across all three funds (Operating, Community Service, and Food Service), the City Appropriation needed to fund this budget is \$27,652,094, which is a 10.1 percent increase over the City Appropriation of FY 2006. Again, without the extraordinary VRS increase of \$672,000, our City Appropriation increase would have been 7.5 percent—well within the tolerance limits of the "diet."

The School Board is confident that the proposed budget strikes a good balance between our promise to the citizenry for a "diet" and our having sufficient resources for our first class school division. We are grateful for your ongoing support and look forward to opportunities to continue our work together for the citizens of Falls Church City.

Kathy Chandler, Chairman

Falls Church City Public School Board

# SCHOOL BOARD'S PROPOSED BUDGET

## OPERATING BUDGET

The Operating Budget funds the day-to-day costs of providing our K-12 educational program. The proposed FY 2007 Operating Budget totals \$33,963,459, representing an increase of \$2,916,629 (9.4%) over the FY 2006 budget. The need for increased operating funds is directly related to the budget goals cited on the following page. These increases are, however, partially offset by savings or reductions in other areas.

	2005-06 Approved	2006-07 Proposed	Dollar Change	Percent Change
TOTAL OPERATING BUDGET:	\$31,046,830	\$33,963,459	+\$2,916,629	+9.4%
TOTAL without VRS Increase*:	\$31,046,830	\$33,291,459	+\$2,244,629	+7.2%

The single largest category of spending in the Operating Budget is personnel (staff salaries and benefits), which accounts for approximately 83% of that fund. This increase reflects overall salary improvements (step and a cost-of-living adjustment commensurate with inflation), increased funding for both state and local retirement programs, as well as increases in the cost of health, group life, and workers compensation insurance premiums.

\* See Mandates & Security section for an explanation of the Virginia Retirement System (VRS) rate issue.

## GOALS & OBJECTIVES

The School Board's Proposed Budget for the 2006-07 school year provides the financial resources necessary to support academic programs and promote student achievement, while protecting the priorities identified in the School Board's Strategic Plan.

### Strategic Plan objectives addressed by this proposed budget:

- FCCPS will be the system of choice for new hires in the Washington metropolitan area, and staff will choose to stay rather than move to surrounding divisions for comparable positions.
- Class sizes will be appropriate for the age and needs of the students and the goals of the instructional program.
- Daily and annual schedules will allow sufficient and appropriate time to effectively provide instruction to students and to improve student learning.
- Students will meet or exceed relevant benchmarks and exit requirements and exhibit good citizenship.
- Student and staff safety will be ensured through the maintenance of a secure environment.
- Physical plant and facilities will meet long-term space needs in a flexible and cost-effective manner.

This budget was developed recognizing that the School Board and City Council had agreed in the summer of 2003 that, in order to afford the debt service payments and operating costs for a new school building, the City's FY 2007 appropriation to FCCPS would be limited to an increase of 7% (\$1,757,500) unless this amount was not sufficient to deal with enrollment increases, fixed cost issues, or competitive salaries.

At present, costs associated with: 1) maintaining competitive salaries, and 2) addressing projected fixed cost increases (e.g., state & local retirement plans, health insurance premiums, inflation on goods & services), combined with 3) a decrease in available carry-over revenue, exceed the FY 2007 cost estimate prepared in 2003. Therefore, this proposed budget includes a request for additional City Appropriation in the amount of \$787,300.

## OPERATING BUDGET – STAFF OBJECTIVES

### • STAFF RETENTION & RECRUITMENT

Local, state, and national demand for qualified teachers, administrators, and other staff members continues to be high while the supply of such personnel continues to be lean, especially in areas of critical need such as science, mathematics, and special education. This year, 15% of our teaching staff are new hires and 40% of all current teachers have been hired within the past three years.

The Consumer Price Index (CPI) has increased 4.1% in our region over the past year and preliminary information indicates that other Northern Virginia school divisions will be proposing salary improvements commensurate with inflation. In response to these factors, the following items are included in this proposed budget to keep our salary/benefit package competitive in order to retain current staff and to enable us to recruit a strong pool of applicants for vacancies:

- Provide all eligible employees with a step increase and a 4.1% cost-of-living adjustment.
- Adjust certain salary scales to maintain regional competitiveness.  
(adjust EPEDs & driver salaries; add one step to administrative lanes)
- Add funds for professional and support staff coursework.  
(tuition reimbursement; "para-to-teach" program; National Board Certification)

**Total New Funding Related to Staff Retention & Recruitment:**

**\$1,937,700**

## OPERATING BUDGET – CHANGES IN STUDENT ENROLLMENT

A total enrollment of 1,875 students is projected for FY 2007. Although this represents an increase of 22 students (+1.2%) over FY 2006 actual student membership, it is less than the number of students that were projected for the current school year.

No new expense items have been added in this category for FY 2007.

	FY06 Actual Students	FY07 Projected Students	Change From Current
Mt. Daniel Elementary (Grades K-1):	232	258	+26
Thomas Jefferson Elementary (Grades 2-4):	398	375	-23
Mary Ellen Henderson Middle School (Grades 5-7):	417	442	+25
George Mason High School (Grades 8-12):	806	800	-6
TOTAL STUDENT ENROLLMENT:	1,853	1,875	+22

## OPERATING BUDGET – STUDENT ACHIEVEMENT

Additional resources have been included in this proposed budget to address the challenges of effectively educating at-risk and special-needs students, as well as the needs of all students.

- Addition of Curriculum/Instructional Resource Teacher (CIRT) time  
(additional reading/language arts CIRT time at MD & MEH; special education EPED stipend at TJ)
- Support for academic after-school clubs/activities  
(EPED stipends for clubs at TJ, MEH, & GMHS)
- Compensation for staff to participate in after-school Child Study meetings  
(to safeguard teacher-student contact time during the school day)
- Funds to begin exploration of Strategic Plan initiatives
- Expand foreign language program to include Mt. Daniel (0.5 FTE Spanish teacher):  
(reprogram current vacant position from GMHS to MD)
- Expanded services to students for whom English is a second language  
(convert regular education paraprofessional positions to 1.0 FTE ESOL teacher at MEH)

**Total New Funding Related to Student Achievement:**

**\$47,900**

## OPERATING BUDGET – MANDATES & SECURITY

- MANDATES

Some increases in staff and services are needed to comply with state or federal mandates:

- Additional special education paraprofessional time (1.0 FTE).  
(need driven by Individual Education Plans of students returning from private placements)
- Special education services (physical therapy; homebound; extended day/week).
- Intern psychologist to assist with student testing and evaluations (1.0 FTE).
- Reallocate TJ classroom teacher position to MEH special education teacher (1.0 FTE).

**Total New Funding Related to Mandates:**

**\$91,600**

- SECURE ENVIRONMENT

To help ensure a secure environment for students and staff, this budget contains funding for the following items:

- Additional Athletic Director time at GMHS.  
(1.0 FTE position reclassified from 10- to 12-months)
- Funds to expand school health nurse services from part- to full-time.
- A 0.5 FTE custodial position to serve the expanded Mt. Daniel facility.

**Total New Funding Related to Maintaining a Secure Environment:**

**\$87,200**

## OPERATING BUDGET – FIXED COSTS & INFLATION

- FIXED COSTS & INCREASES RELATED TO INFLATION

Fixed costs are non-discretionary items that must be funded in order to operate the system's schools and programs. Other items, such as supplies and purchased services, are subject to annual inflationary increases.

The single largest increase in this category is due to an overall 31.3% increase in the rates assessed by the Virginia Retirement System (VRS) for retirement, group life insurance, and retiree health insurance premiums. The total cost associated with these VRS rate increases is \$672,000.

In addition to the VRS item, the following also represent fixed cost increases in this budget:

- Increased City retirement, workers' compensation & health insurance premiums.
- Maintenance of computer hardware/software replacement cycle.
- Inflationary increases in transportation, insurance, utility & building services costs.
- Inflationary increase on instructional materials, supplies & services.

**Total New Funding Related to Fixed Costs & Inflation:**

**\$384,500**

## OPERATING BUDGET – NET SAVINGS & OTHER ADJUSTMENTS

- SAVINGS, ADJUSTMENTS, & REPROGRAMMING TO REDUCE CITY APPROPRIATION

Some FY 2006 items: 1) have been reprogrammed to address FY 2007 program needs; 2) represent one-time budget adjustments; or, 3) are expected to decrease/change between FY 2006 and FY 2007.

While a total of \$304,300 is shown below as a net savings between FY 2006 and FY 2007 (i.e. spending that will not recur in FY 2007), an additional \$361,000 in savings was identified but reprogrammed to address other areas of need in FY 2007. The net affect on the request for FY 2007 City appropriation is a total reduction of \$665,300.

Reduce materials/supplies, purchased services, human resource, and transportation expenses

- Salary/benefit savings from FY 2006 new hires, turnover, & retirees.
- Reprogram existing positions to new programs.  
(e.g., 0.5 Foreign Language teacher at MD; 1.0 ESOL teacher at MEH)
- Rent for the Even Start program.
- One-time cost to relocate trailers.
- Savings from other anticipated cost reductions.  
(e.g., reduced audit, telecommunications, & printing costs)
- Transfer of expenses from the Community Services Fund.  
(results from reorganizing activities/duties during the 2006 school year)

**Total Net Anticipated Savings & Adjustments:**

**-\$304,300**

## OPERATING BUDGET – SUMMARY OF CHANGES

### SUMMARY OF CHANGES IN THE OPERATING BUDGET

• Staff Retention & Recruitment:	\$1,937,700
• VRS Rate Increase:	672,000
• Other Fixed Costs & Inflation:	384,500
• Federal & State Mandates:	91,600
• Secure Environment:	87,200
• Student Achievement:	47,900
• Student Enrollment Growth:	-0-
• Net Savings & Other Adjustments:	(304,300)

**NET CHANGE IN THE OPERATING BUDGET:**

**\$2,916,600**

## OPERATING BUDGET – REVENUE

### CHANGES IN OPERATING BUDGET REVENUE

Combined state funding and sales tax revenue are anticipated to increase by a total of 11.1% next year, with federal funding decreasing slightly. The following represent significant changes in Operating Budget revenue items other than City Appropriation:

• Increased sales tax revenue:	+\$283,300
• Increased state basic aid:	+154,500
• Increased overhead transfers (from day care & food service programs):	+68,000
• Increased state funding in other categories:	+36,400
• Reduced federal Even Start grant funding:	-25,000
• Funds available for carry-over:	-232,000

	2005-06 Approved	2006-07 Proposed	Dollar Change	Percent Change
City Appropriation:	\$24,615,996	\$27,196,087	+\$2,580,091	+10.5%
State Funds:	2,580,687	2,777,824	+197,137	+7.6%
Sales Tax:	1,688,829	1,965,854	+283,277	+16.8%
Federal Funds:	711,818	707,694	-4,124	-0.6%
Other (tuition, transfers, interest):	567,500	666,000	+98,500	+17.4%
Beginning Balance:	882,000	650,000	-232,000	-26.3%
<b>TOTAL OPERATING BUDGET:</b>	<b>\$31,046,830</b>	<b>\$33,963,459</b>	<b>+\$2,916,629</b>	<b>+9.4%</b>

## COMMUNITY SERVICE FUND

The proposed FY 2007 Community Service budget totals \$1,670,572, representing a decrease of \$94,968 (-5.4%) from the current year's budget. Community Services now includes: Day Care; Business in Education (BIE) partnership; rentals and community use of facilities; cable television; and, Falls Church Education Foundation funding and activities.

Changes in the Community Service budget result from the following items:

- Salary & benefit improvements for staff paid from the Community Service Fund.
- Additional expenses for community use of expanded school facilities as well as for day care overhead.
- Increased city appropriation to support day care services for low-income families.
- Shifts in spending and personnel assignments between this fund and the Operating Budget.

### CHANGES IN COMMUNITY SERVICE REVENUE

	2005-06 Approved	2006-07 Proposed	Dollar Change	Percent Change
User Fees:	\$1,173,699	\$1,067,790	-\$105,909	-9.0%
City Appropriation:	491,306	456,007	-35,299	-7.2%
Other Revenue:	20,535	71,775	+51,240	+249.5%
Beginning Balance:	80,000	75,000	-5,000	-6.3%
<b>TOTAL COMMUNITY SERVICE FUND:</b>	<b>\$1,765,540</b>	<b>\$1,670,572</b>	<b>-\$94,968</b>	<b>-5.4%</b>

## FOOD SERVICE FUND

The proposed FY 2007 Food Service budget totals \$786,600. This represents an increase of \$127,400 (19.3%) from the current year's budget, resulting from projected growth in food sales and increased use of fund balance to begin replacing aging kitchen equipment.

The proposed budget provides all eligible food service staff with salary improvements in the form of a step increase and a 4.1% cost-of-living adjustment. It would also provide a \$26,000 transfer to the Operating Budget to offset overhead costs.

### CHANGES IN FOOD SERVICE REVENUE

	2005-06 Approved	2006-07 Proposed	Dollar Change	Percent Change
User Fees:	\$501,000	\$602,200	+\$101,200	+20.2%
State & Federal Funds:	79,200	79,400	+200	+0.0%
Other Sources:	4,000	5,000	+1,000	+25.0%
Beginning Balance:	75,000	100,000	+25,000	+33.3%
TOTAL FOOD SERVICE FUND:	\$659,200	\$786,600	+\$127,400	+19.3%

## SUMMARY

### CHANGE IN TOTAL BUDGETS

Fund	2005-06 Approved	2006-07 Proposed	Dollar Change	Percent Change
60. Operating Budget	\$31,046,830	\$33,963,459	+\$2,916,629	+9.4%
61. Community Service	1,765,540	1,670,572	-94,968	-5.4%
64. Food Service	659,200	786,600	+127,400	+19.3%
Total ALL FUNDS	\$33,471,570	\$36,420,631	+\$2,949,061	+8.8%

### CHANGE IN CITY APPROPRIATION

Fund	FY06 Approved City Appropriation	FY07 Proposed City Appropriation	Dollar Change	Percent Change
60. Operating Budget	\$24,615,996	\$27,196,087	+\$2,580,091	+10.5%
61. Community Service	491,306	456,007	-35,299	-7.2%
64. Food Service	- 0 -	- 0 -	- 0 -	0.0%
Total ALL FUNDS	\$25,107,302	\$27,652,094	+\$2,544,792	+10.1%

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Education</b>					
Education Foundation	31,000	81,000	81,000	40,000	-50.62%
	31,000	81,000	81,000	40,000	-50.62%
<b>Community College Programs</b>					
NoVA Comm	1,074	1,100	1,100	1,047	-4.82%
NoVA	11,100	11,500	11,500	11,200	-2.61%
	12,174	12,600	12,600	12,247	-7.43%



**NONDEPARTMENTAL,  
TRANSFERS,  
RESERVES**



CITY  
OF **FALLS**  
**CHURCH**



# NONDEPARTMENTAL, TRANSFERS, RESERVES

## RISK MANAGEMENT – FY 2006-2007

The purpose of this section of the Human Resources Division is to develop and monitor the Risk Management Program that includes obtaining, implementing and monitoring all insurances that cover the City's personnel, operations and infrastructure. This section also is responsible for serving as staff to the City's Retirement Board and the administration of the City's Basic and Police Pension Plans. Information and training is provided to employees each year about the City's Retirement Plans. Retirement estimates and counseling is provided to employees by this unit. Annually, we host the benefits fair and conduct open season enrollment for dental, medical, Flexible Benefits Plan, Sick Leave Bank and life insurance. In addition, we administer the City's Section 125, Flexible Benefits Plan, the City's Deferred Compensation Plan, The Commonwealth of Virginia College Savings Plans, Workers' Compensation Program and Long-Term Disability. These benefits support approximately 549 active and retired employees, and their dependents. This section also provides benefit services to the Department of Criminal Justice Academy and Constitutional Offices. This section also provides OSHA training for all new and current employees. The OSHA training includes Blood Borne Pathogen, Confined Space Entry, Hazardous Chemicals, Department of Transportation Drug and Alcohol Program.

**Employees:** 0.50 - Human Resources Director  
0.25 - Human Resources Generalists

### Objectives:

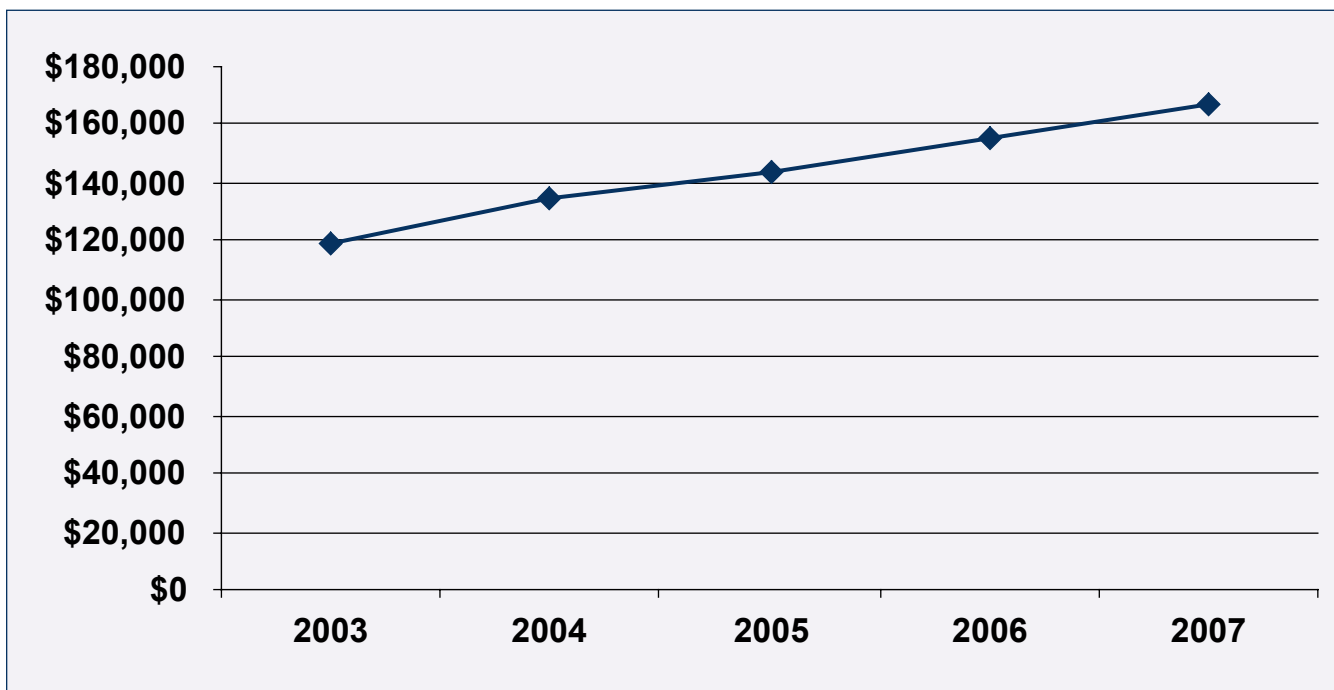
- Manage workers' compensation claims and handle all other property and casualty claims promptly and professionally.
- Work with employees and retirees in resolving claims problems and calculate retirement benefits for employees contemplating retirement within 10 days.
- Explore market options to determine whether there are lower cost health and dental insurance plans that the City and Schools can join.

### Performance Measures:

- Administer the City's property and casualty insurance (general liability, motor vehicle insurance, workers' compensation, boiler and machine insurance, public official insurance, police professional liability, crime insurance and property insurance) to protect the City's assets at the lowest possible cost.
- Administer all City employee benefit programs and analyze costs to ensure they are appropriate to benefit levels.
- Process all vendor payments, performance evaluations and performance awards within one week of receipt.
- Conduct benefit transactions, including but not limited to, adding new employees to the City's insurance plans, adjusting insurance deduction rates for current employees and retirees when required without error.

## HUMAN RESOURCES DIVISION – RISK MANAGEMENT

### BUDGET TREND: FY 2003-2007



2003	2004	2005	2006	2007
118,542	135,146	144,336	155,428	166,844
	14.01%	6.80%	7.68%	7.34%

**Note:**

- Most of the increase is due to increases in the General Liability, Public Officials and Fire Insurance policies.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Risk Management</b>					
Salary Reg	65,621	67,688	67,688	70,860	4.69%
FICA	4,754	5,178	5,178	5,451	5.27%
CityRetire	-	-	-	1,417	100.00%
Health	5,389	4,159	4,159	4,574	10.00%
Group Life	492	586	586	586	0.00%
Disability	365	427	427	427	0.00%
Wrkrs Comp	156	-	-	156	100.00%
Defrd Comp	377	390	390	390	0.00%
Health srv	2,804	4,234	4,234	4,657	9.99%
Prof Svcs	-	200	200	200	0.00%
Prnt/Bndng	-	300	300	300	0.00%
Postage	533	400	400	350	-12.50%
Boiler Ins	4,400	4,420	4,420	4,200	-4.98%
Fire Insrc	18,000	19,100	19,100	22,500	17.80%
Surety Bnd	5,159	5,571	5,571	5,300	-4.86%
PO Insrc	6,000	7,000	7,000	8,000	14.29%
General	25,000	26,500	26,500	28,200	6.42%
Deductible	1,265	500	500	500	0.00%
Confernces	6	1,000	1,000	1,000	0.00%
DuesMember	310	350	350	350	0.00%
SpecActvty	-	200	200	200	0.00%
SafeDriver	4,120	6,800	6,800	6,800	0.00%
OfficeSupp	-	100	100	100	0.00%
Books	405	325	325	325	0.00%
	145,154	155,428	155,428	166,844	7.34%

# NONDEPARTMENTAL, TRANSFERS, RESERVES

## DEBT SERVICE – FY 2006-2007

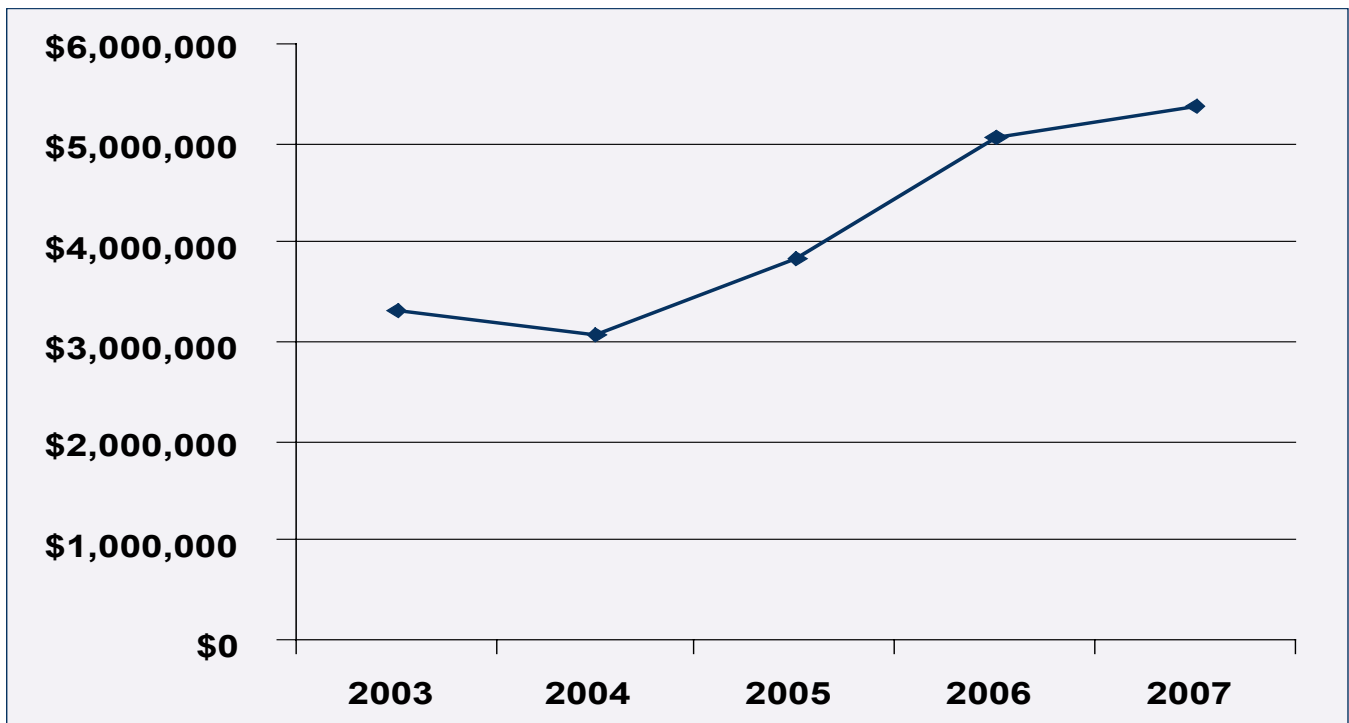
The City issues debt as necessary to fund long-lived capital assets such as schools, open space and major public facilities and infrastructure. The proposed use of debt financing is included as part of the City's Capital Improvement Program (CIP) and is subject to the Council's adopted debt policies.

Debt service includes all general obligations of the City. The FY 2007 debt service expenditures break down functionally as follows:

Function	Amount
Schools	\$ 3,440,862
General Government	1,438,844
Open Space	350,267
Costs and fees	7,600
Total	\$ 5,237,573

## NONDEPARTMENTAL, TRANSFERS, RESERVES – DEBT SERVICE

### BUDGET TREND: FY2003-2007



2003	2004	2005	2006	2007
3,302,815	3,053,959	3,816,428	5,034,687	5,156,406
	-7.53%	24.97%	31.92%	2.42%

**Notes:**

- Debt service increased in FY 2005 and FY 2006 due to the issuance of \$25,000,000 in general obligation bonds in FY 2004 to fund the construction of the Mary Ellen Henderson Middle School and other School Division projects.
- The City issued debt \$1,800,000 in FY 2005 for the purchase of open space.
- The City will issue \$2,000,000 in general obligation debt during FY 2006 to fund improvements at Mount Daniel Elementary School.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Lease Purchase Additions</b>					
L/P Adds	39,250.00	-	-	-	0.00%
West End	852,500.00	-	-	-	100.00%
	891,750.00	-	-	-	100.00%
<b>Debt Service</b>					
Prof Svcs	32,235.68	6,000.00	6,000.00	6,000.00	0.00%
MiscDebt	2,961.32	1,600.00	1,600.00	1,600.00	0.00%
Redeem Bnd	1,950,000.00	2,945,616.00	2,945,616.00	3,016,202.00	2.40%
CAPITAL PR	185,828.27	206,431.00	206,431.00	161,043.00	-21.99%
FCVFD Note	-	-	-	217,500.00	0.00%
Interest	1,892,543.95	1,875,040.33	1,875,040.33	1,835,227.81	-2.12%
CAPITAL IN	28,129.57	-	-	-	0.00%
Bond Refunding	4,660,000.00	-	-	-	0.00%
Refund Premium	42,425.00	-	-	-	0.00%
	8,794,123.79	5,034,687.33	5,034,687.33	5,237,572.81	4.03%

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>WMATA</b>					
WMATA Bus	-	42,000	42,000	42,000	0.00%
WMATA Rail	-	210,000	210,000	210,000	0.00%
NoVATransD	-	5,099	5,099	5,000	-1.94%
George	74,252	435,000	435,000	435,000	0.00%
	74,252	692,099	692,099	692,000	-0.01%



ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Lease Purchase additions</b>					
L/P Adds	39,250	-	-	-	0.00%
West End	852,500	-	-	-	100.00%
	891,750	-	-	-	100.00%
<b>Debt Service</b>					
Prof Svcs	32,236	6,000	6,000	6,000	0.00%
MiscDebt	2,961	1,600	1,600	1,600	0.00%
Redeem Bnd	1,950,000	2,945,616	2,945,616	3,016,202	2.40%
CAPITAL PR	185,828	206,431	206,431	161,043	-21.99%
FCVFD Note	-	-	-	217,500	0.00%
Interest	1,892,544	1,875,040	1,875,040	1,835,228	-2.12%
CAPITAL IN	28,130	-	-	-	0.00%
Bond Refunding	4,660,000	-	-	-	0.00%
Refund Premium	42,425	-	-	-	0.00%
	8,794,124	5,034,687	5,034,687	5,237,573	4.03%

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Post Retirement Benefits</b>					
Health	164,304	238,163	238,163	261,979	10.00%
Group Life	2,600	2,745	2,745	3,020	10.00%
Postage	92	200	200	200	0.00%
	166,996	241,108	241,108	265,199	9.99%
<b>Transfers</b>					
Transfer	-	-	-	-	0.00%
Tfr - ADU	404,604	-	-	-	0.00%
Trnfr PWIF	1,604,123	1,936,000	2,662,657	2,967,000	53.25%
Tnfr ScIIIF	395,961	-	-	-	0.00%
Trnfr SOF	22,361,854	24,615,996	24,615,996	27,196,087	10.48%
Trnfr SCSF	436,262	491,306	491,306	456,007	-7.18%
	25,202,803	27,043,302	27,769,959	30,619,094	13.22%
<b>Reserves</b>					
Contingncy	125,000	250,000	147,543	182,000	-27.20%
Retirement	-	135,000	135,000	190,000	-100.00%
TransitSub	-	30,000	30,000	15,000	-50.00%
West End	21,549	200,000	200,000	-	-100.00%
Rent				18,000	100.00%
Athletic	82,398	-	-	-	0.00%
	228,947	615,000	512,543	405,000	-34.15%

## WATER FUND



CITY  
OF **FALLS**  
**CHURCH**



ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Summary- Water Fund Revenues</b>					
Charges for Services	17,150,392	17,288,556	17,288,556	18,489,092	6.94%
Investment Revenues	405,527	100,000	100,000	540,000	440.00%
Rental Incomes	165,105	120,000	120,000	150,000	25.00%
Contributions - Private Source	1,818,635	-	-	-	0.00%
Interfund Operating Transfers	-	8,738,000	8,738,000	15,965,000	82.71%
Dispositions & Sales	37,711	15,500	15,500	15,500	0.00%
	19,577,370	26,262,056	26,262,056	35,159,592	33.88%
<b>Summary- Water Fund Expenditures</b>					
Water Administration	4,844,442	3,471,336	3,471,336	2,692,830	-22.43%
Customer Services	1,396,555	1,266,210	1,266,210	1,341,191	5.92%
Source of Supply	6,104,072	9,524,196	9,524,196	8,115,307	-14.79%
Distribution	2,173,291	3,177,507	3,177,507	1,693,991	-47.54%
Water Connections	240,535	534,700	534,700	571,835	6.94%
Debt service	-	-	-	150,000	100.00%
Transfers	4,625,874	11,425,874	11,425,874	18,418,000	61.20%
	19,384,768	29,399,824	29,399,824	32,983,154	12.19%



ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>WATER REVENUE FUND</b>					
<b>Charges for Services</b>					
Service	13,981,319	15,448,556	15,448,556	15,119,092	-2.13%
Connection	173,694	250,000	250,000	500,000	100.00%
Reconnect	36,972	10,000	10,000	10,000	0.00%
Hydrant	4,523	10,000	10,000	10,000	0.00%
Fairfax	-	290,000	290,000	290,000	0.00%
Transponde	59,631	30,000	30,000	30,000	0.00%
Availabili	2,799,201	1,200,000	1,200,000	2,500,000	108.33%
Late Fees	95,052	50,000	50,000	30,000	-40.00%
	17,150,392	17,288,556	17,288,556	18,489,092	6.94%
<b>Investment Revenues</b>					
Interest	22,182	-	-	-	0.00%
Interest	414,016	100,000	100,000	540,000	440.00%
Gain	(30,672)	-	-	-	0.00%
	405,527	100,000	100,000	540,000	440.00%
<b>Rental Incomes</b>					
Rental	165,105	120,000	120,000	150,000	25.00%
	165,105	120,000	120,000	150,000	25.00%
<b>Contributions - Private Source</b>					
Developer	1,818,635	-	-	-	0.00%
	1,818,635	-	-	-	0.00%
<b>Interfund Operating Transfers</b>					
Transfer (bonds)	-	-	-	12,850,000	100.00%
Fund Balance	-	8,738,000	8,738,000	3,115,000	-64.35%
	-	8,738,000	8,738,000	15,965,000	82.71%
<b>Dispositions &amp; Sales</b>					
Sale	27,075	10,000	10,000	10,000	0.00%
Sale	10,629	3,000	3,000	3,000	0.00%
Misc	7	2,500	2,500	2,500	0.00%
	37,711	15,500	15,500	15,500	0.00%
	19,577,370	26,262,056	26,262,056	35,159,592	33.88%

# WATER FUND

## WATER ADMINISTRATION – FY 2006-2007

The Department of Environmental Services provides management and oversight of the City's water system to ensure high quality and reliable service, including related planning, design, and construction activities. The water system serves the City's 10,000 residents and approximately 120,000 customers in Fairfax County.

The City purchases nearly six billion gallons per year from the Washington Aqueduct and the Fairfax County Water Authority. This water is then distributed through 485 miles of water mains over 33 square miles. The system includes approximately 3,000 fire hydrants and 9,000 valves, and the department collects over 120 water samples per month to ensure water quality.

**Employees:**

- 0.75 - Senior Administrative Assistant
- 0.50 - Environmental Services Technician
- 0.95 - Engineering Technician
- 0.95 - Water & Sewer Inspector (2)
- 0.70 - General Manager
- 0.25 - Engineering Director
- 0.95 - Public Utilities Director
- 0.95 - Senior Administrative Assistant
- 0.50 - Senior Administrative Assistant
- 0.25 - Civil Engineer
- 0.95 - Utilities Engineer
- 0.95 - Engineering Assistant
- 0.95 - Administrative Assistant
- 0.50 - Contracts Manager

**Objectives:**

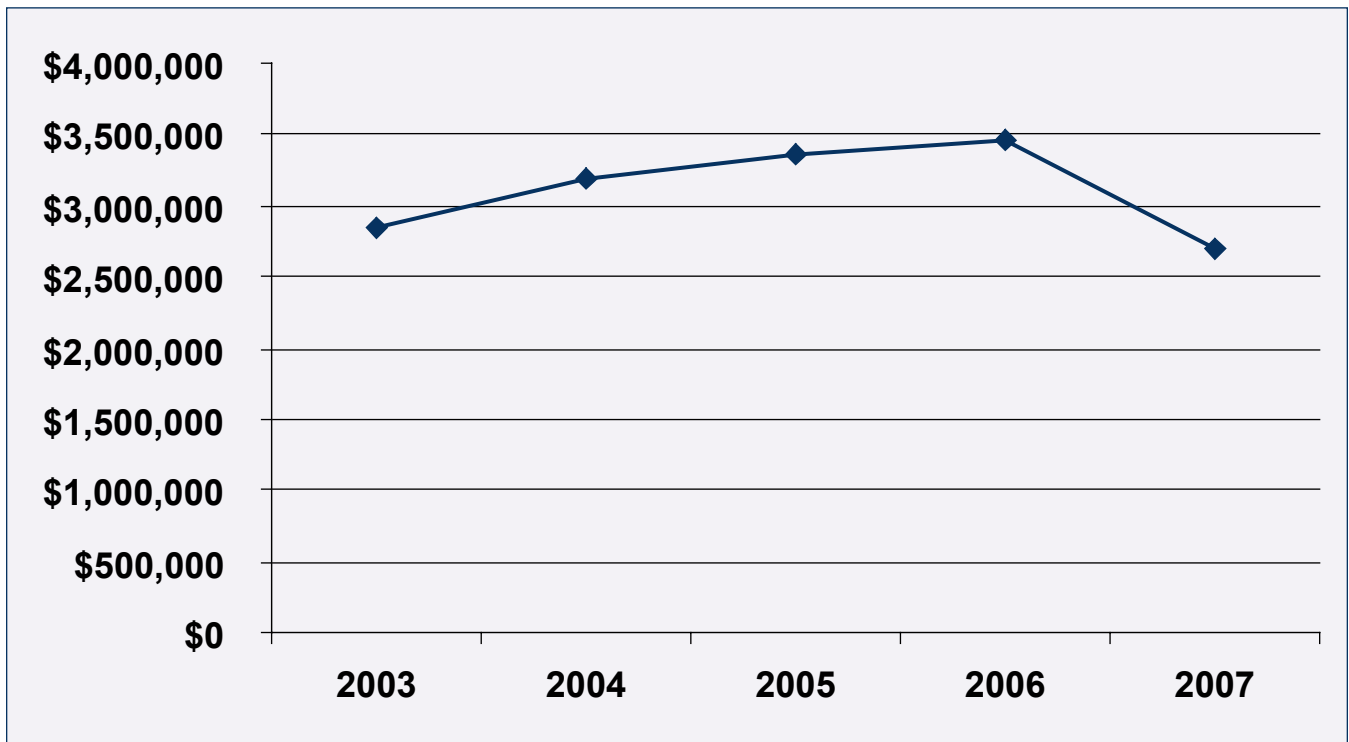
- Complete CIP projects on schedule.
- Develop and implement a water utility business plan by June 30, 2007.
- Provide staff emergency response training and education by June 30, 2007.

**Performance Measures:**

- Ensure that 95% of construction projects are completed on time and within budget.
- Ensure 100% of City Manager and Council initiatives are acted upon within prescribed timeframes.
- Ensure 100% of Department objectives are met unless a change in priorities is approved.
- Respond to inquiries and complaints/compliments received from customers, engineers, contractors, developers, and citizens about City services within 24 hours, and requests for water samples within 72 hours.



**WATER ADMINISTRATION**  
**BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
2,852,020	3,178,902	3,356,582	3,471,336	2,692,830
	11.46%	5.59%	3.42%	-22.43%

**Notes:**

- Increase in FY 2004 due to increase in administrative transfer.
- Decrease in FY 2007 due to reduction in administrative transfer.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Water Administration</b>					
Salary Reg	724,321	814,545	814,545	828,058	1.66%
Salary OT	12,628	10,000	10,000	10,000	0.00%
SalaryTemp	39,309	70,000	70,000	50,000	-28.57%
FICA	57,503	-	-	65,779	100.00%
VRS	4	-	-	-	0.00%
CityRetire	7,554	-	-	16,561	100.00%
Health	56,271	72,688	72,688	79,957	10.00%
Group Life	5,555	6,560	6,560	6,560	0.00%
Disability	4,057	4,916	4,916	4,916	0.00%
Wrkrs Comp	4,512	-	-	4,512	100.00%
Sectn 125	2,228	-	-	2,228	100.00%
Defrd Comp	7,269	7,627	7,627	7,659	0.41%
Admin	1,672,936	1,700,000	1,700,000	870,000	-48.82%
Pension	40,990	55,000	55,000	55,000	0.00%
Prof Svcs	274,050	337,500	337,500	337,500	0.00%
Temp Help	-	1,500	1,500	1,500	0.00%
Repairs	19,930	5,000	5,000	5,000	0.00%
Mntnc/Srvc	1,791	2,500	2,500	2,500	0.00%
Prnt/Bndng	6,661	7,500	7,500	7,500	0.00%
Motor Pool	118,460	-	-	-	0.00%
Postage	15,622	17,000	17,000	17,000	0.00%
Telecom	16,441	18,000	18,000	18,000	0.00%
General	98,176	116,650	116,650	123,000	5.44%
Rental	-	18,000	18,000	11,000	-38.89%
Mileage	513	350	350	350	0.00%
Confernces	2,274	6,000	6,000	6,000	0.00%
Training	(1,808)	5,000	5,000	5,000	0.00%
PILOT	101,254	110,000	110,000	110,000	0.00%
COG	3,119	4,000	4,000	4,000	0.00%
DuesMember	4,464	8,500	8,500	8,500	0.00%
SpecActvty	5,370	3,000	3,000	6,000	100.00%
OfficeSupp	3,760	4,500	4,500	4,500	0.00%
Rep Maint	359	500	500	500	0.00%
Uniforms	(16)	500	500	750	50.00%
Books	846	1,200	1,200	1,200	0.00%
OthrOpSupp	9,374	10,000	10,000	10,000	0.00%
SmallTools	65	500	500	500	0.00%
SafetyEq	-	800	800	800	0.00%
Microfilm	406	1,500	1,500	500	-66.67%
Machinery	-	50,000	50,000	-	-100.00%
software				10,000	100.00%
Comm Eqpmt	(31,301)	-	-	-	0.00%
Bad Debt	325	-	-	-	0.00%
Depreciati	1,532,944	-	-	-	0.00%
Loss Disp.	26,228	-	-	-	0.00%
	4,844,442	3,471,336	3,471,336	2,692,830	-22.43%

# WATER FUND

## CUSTOMER SERVICE - FY 2006-2007

This Division provides quality service to more than 34,000 accounts within the water system's 33-mile service area. Responsibilities include meter reading, billing, mailing and collection of all water and sewer bills for the system's customers. Customer Service Representatives assist customers over the phone with common questions as well as help those who wish to pay their water bill in person at City Hall. Trained technicians install new meters, repair and replace existing meters and perform various testing to existing meters to ensure efficiency.

**Employees:**

- 0.95 - Utilities Customer Service Director
- 0.95 - Utility Accounting Technician
- 0.95 - Senior Customer Service Reps (3)
- 0.95 - Customer Service Reps (2)
- 0.95 - Crew Leader (1)
- 0.95 - Meter Readers (3)
- 0.95 - Meter Technicians (2)
- 0.95 - Field Technician (1)

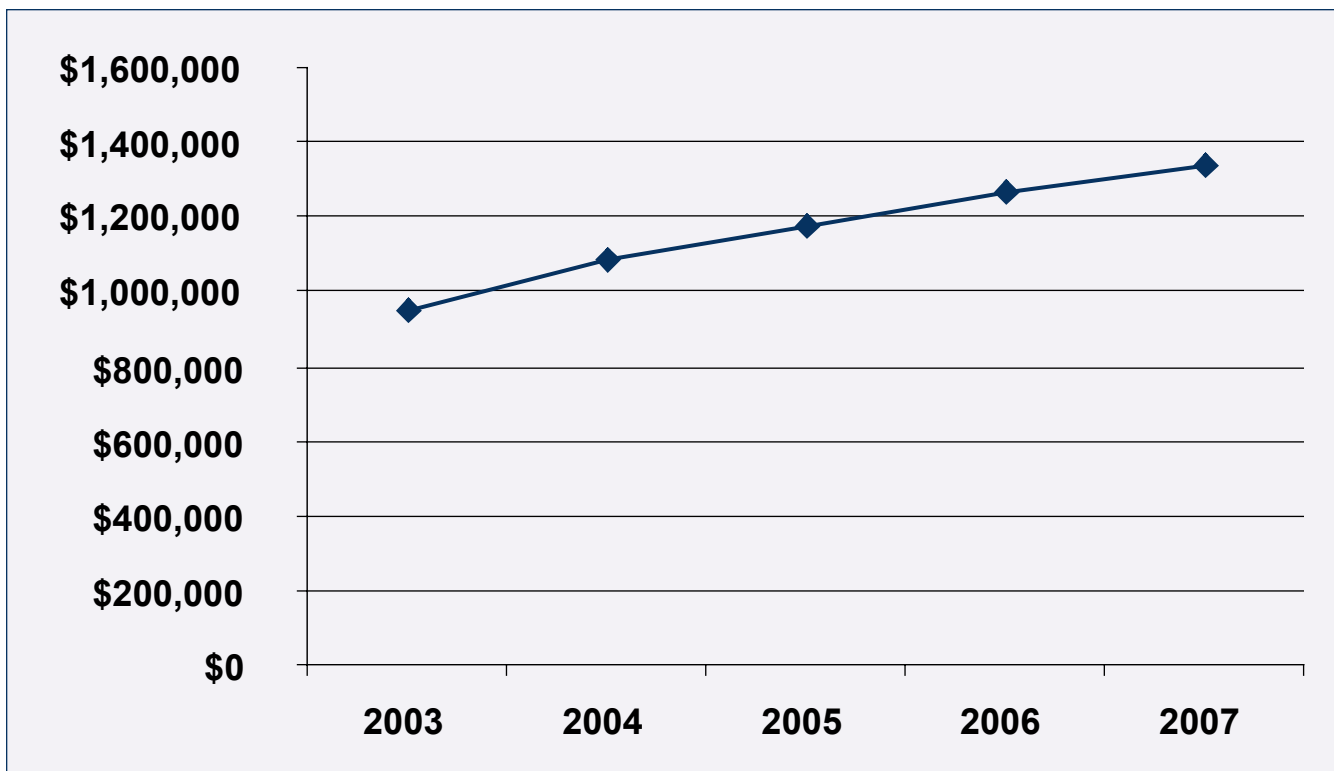
**Objectives:**

- Continue with the change out of all residential and commercial water meters with new meters for more accurate billing. The implementation will include AMR (Automatic Meter Reading) capability.
- Implement Compound Meter Maintenance Program to ensure accuracy of these meters for optimum revenue.
- Directly serve the public through timely and outstanding service 100% of the time.

**Performance Measures:**

- To maintain a 99% accuracy rate for water/sewer billing.
- Maintain Compound meters accuracy in the 97% – 99% range by performing necessary maintenance.
- To ensure 100% of customer correspondence received via US mail is handled within three working days and incoming telephone calls are handled the day they are received.

**CUSTOMER SERVICE - WATER**  
**BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
950,774	1,084,877	1,170,727	1,266,210	1,341,191
	14.10%	7.91%	8.16%	5.92%

**Notes:**

- FY 2005 - Increase in Water Meter Budget to replace stopped meters.
- FY 2006 - Increase in Professional Services for Utility Billing Outsourcing.
- FY 2007 - Replacing very old office furnishings and USPS Postal Increase.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Customer Services</b>					
Salary Reg	579,433	626,799	626,799	662,052	5.62%
Salary OT	17,706	17,000	17,000	17,000	0.00%
FICA	44,682	47,950	47,950	52,325	9.12%
CityRetire	5,167	-	-	13,241	100.00%
Health	68,814	82,106	82,106	90,316	10.00%
Group Life	4,470	5,295	5,295	5,295	0.00%
Disability	3,275	3,861	3,861	3,861	0.00%
Wrkrs Comp	8,314	-	-	8,314	100.00%
Sectn 125	120	-	-	120	100.00%
Defrd Comp	5,545	5,928	5,928	4,940	-16.67%
Prof Svcs	1,050	75,000	75,000	35,500	-52.67%
Repairs	465	2,000	2,000	1,800	-10.00%
Mntnc/Srvc	2,464	11,400	11,400	7,500	-34.21%
Prnt/Bndng	16,718	12,200	12,200	7,450	-38.93%
Postage	55,009	20,000	20,000	58,750	193.75%
Telecom	4,480	4,342	4,342	4,500	3.64%
Eqpmnt Rnt	1,363	1,320	1,320	1,450	9.85%
Rental	-	20,159	20,159	22,326	10.75%
Confernces	5,310	6,000	6,000	6,000	0.00%
DuesMember	130	600	600	500	-16.67%
OfficeSupp	3,619	7,500	7,500	7,000	-6.67%
Rep Maint	1,014	2,400	2,400	2,400	0.00%
Uniforms	2,203	2,700	2,700	3,400	25.93%
Books	162	250	250	150	-40.00%
OthrOpSupp	6,488	7,400	7,400	6,500	-12.16%
SmallTools	44	-	-	-	0.00%
SafetyEq	-	1,500	1,500	1,500	0.00%
WaterMeter	494,555	280,000	280,000	280,000	0.00%
Furniture	-	-	-	12,000	100.00%
Comm Eqpmt	40,600	-	-	-	0.00%
Vehicles	23,357	22,500	22,500	25,000	11.11%
	1,396,555	1,266,210	1,266,210	1,341,191	5.92%

# WATER FUND

## SOURCE OF SUPPLY WATER – FY 2006-2007

This cost center supports the purchase of treated water from the U.S. Army Corps of Engineers Washington Aqueduct and its transport to the City's water distribution system. Funds are used for the operation and maintenance of eight pumping stations, as well as 10 water storage tanks in the City's water system.

**Employees:** 6.0 - Pumping Station Operators  
1.0 - Pumping Station Supervisor  
1.0 - Maintenance Technician  
1.0 - Instrumentation Technician

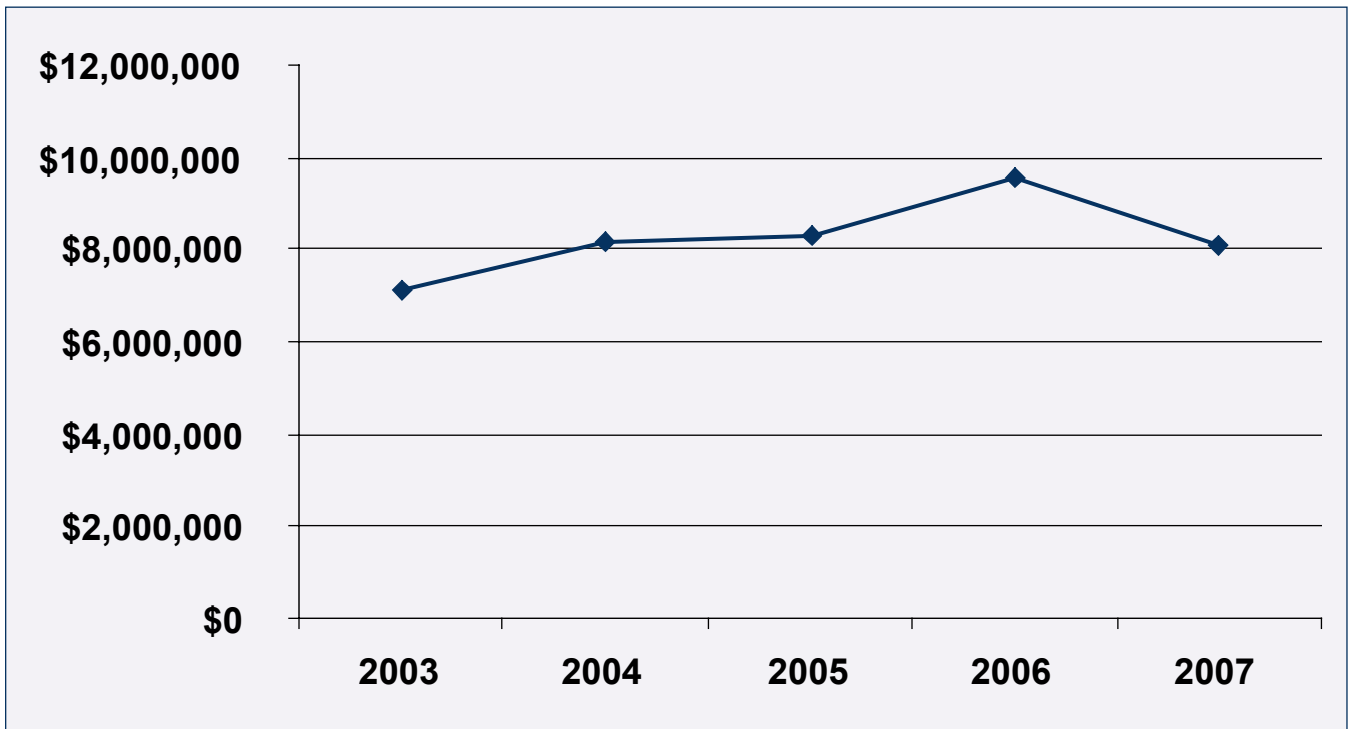
### Objectives:

- Operate and maintain eight pumping stations with a maximum capacity of 45 million gallons a day (MGD) and 10 storage facilities holding 14.2 million gallons (MG) with no major water outages.
- Have a well-defined, fully implemented asset management program in place by June 30, 2007.
- Collect bacteriological, chloramines and water quality samples (over 120/month), and new construction samples on an as needed basis, as required by the State Health Department and EPA, to ensure the safety and purity of the water in the distribution system.

### Performance Measures:

- Maintain water system operations with no avoidable major service interruptions through enhanced preventive maintenance program as measured by monthly reports.
- Maintain 100% compliance (non violations) with all state and federal water quality regulations as measured by annual sampling program/VHD reports.

**SOURCE OF SUPPLY WATER**  
**BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
7,132,959	8,139,164	8,319,019	9,524,196	8,115,307
	14.11%	2.21%	14.49%	-14.79%

**Notes:**

- Increase in FY 2004 due to increases in cost of water purchases, with the temporary purchase of water from Fairfax County during the Tysons tank and improvements project. Increase also reflects consolidation of Chain Bridge cost centers into this center.
- Increase in FY 2006 due to increase in cost for maintenance and repair of tanks.
- Decrease in FY 2007 results from reduced purchase of water to reflect updated water use assumptions.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Source of Supply</b>					
Salary Reg	408,321	438,419	438,419	420,194	-4.16%
Salary OT	46,824	45,000	45,000	50,000	11.11%
SalaryTemp	-	-	-	-	0.00%
FICA	34,050	33,539	33,539	39,844	18.80%
CityRetire	3,420	-	-	8,404	100.00%
Health	53,906	65,524	65,524	72,076	10.00%
Group Life	3,014	3,704	3,704	3,704	0.00%
Disability	2,228	2,701	2,701	2,701	0.00%
Unemplmnt	-	-	-	-	0.00%
Wrkrs Comp	12,257	20,000	20,000	20,000	0.00%
Sectn 125	5	150	150	150	0.00%
Defrd Comp	3,527	3,640	3,640	3,640	0.00%
Repairs	19,086	940,000	940,000	930,000	-1.06%
Mntnc/Srvc	1,584	45,000	45,000	45,000	0.00%
Other Srvc	15,574	10,000	10,000	10,000	0.00%
Admin	-	1,000	1,000	1,000	0.00%
Capital	252,555	1,282,000	1,282,000	843,000	-34.24%
Water	4,689,663	5,802,000	5,802,000	4,803,375	-17.21%
Motor Pool	-	-	-	-	0.00%
Electric	452,577	650,000	650,000	650,000	0.00%
Telecom	33,033	36,000	36,000	36,000	0.00%
Boiler Ins	5,938	6,700	6,700	6,000	-10.45%
OP Insrnc	17,340	17,500	17,500	20,600	17.71%
Rental	-	15,200	15,200	13,000	-14.47%
Confernces	1,722	2,500	2,500	2,500	0.00%
Training	531	3,000	3,000	3,000	0.00%
DuesMember	565	1,120	1,120	1,120	0.00%
OfficeSupp	894	800	800	800	0.00%
Rep Maint	34,639	30,000	30,000	50,000	66.67%
Uniforms	2,135	2,500	2,500	4,000	60.00%
OthrOpSupp	617	3,000	3,000	3,000	0.00%
Test Mtls	6,639	1,000	1,000	10,000	900.00%
SmallTools	-	700	700	700	0.00%
SafetyEq	520	1,500	1,500	1,500	0.00%
Machinery	-	60,000	60,000	-	-100.00%
Vehicles				60,000	100.00%
Bldg/Grnds	912	-	-	-	0.00%
	6,104,072	9,524,196	9,524,196	8,115,307	-14.79%



# WATER FUND

## WATER DISTRIBUTION – FY 2006-2007

This cost center supports all routine and emergency maintenance activity for water mains and appurtenances, including approximately 485 miles of pipes, 3,300 fire hydrants, and 9,000 valves. In addition, funds are used for the City's water main replacement program, whereby water mains that have an unfavorable history of breaks are replaced in order to provide better service. About two miles of such problem water mains are replaced every year.

**Employees:**

- 6.0 - Maintenance Workers
- 4.0 - Senior Maintenance Workers
- 1.0 - Equipment Operator
- 3.0 - Crew Leaders
- 0.75 - Director of Operations
- 0.75 - Assistant Director of Operations
- 0.50 - Senior Administrative Assistant

**Objectives:**

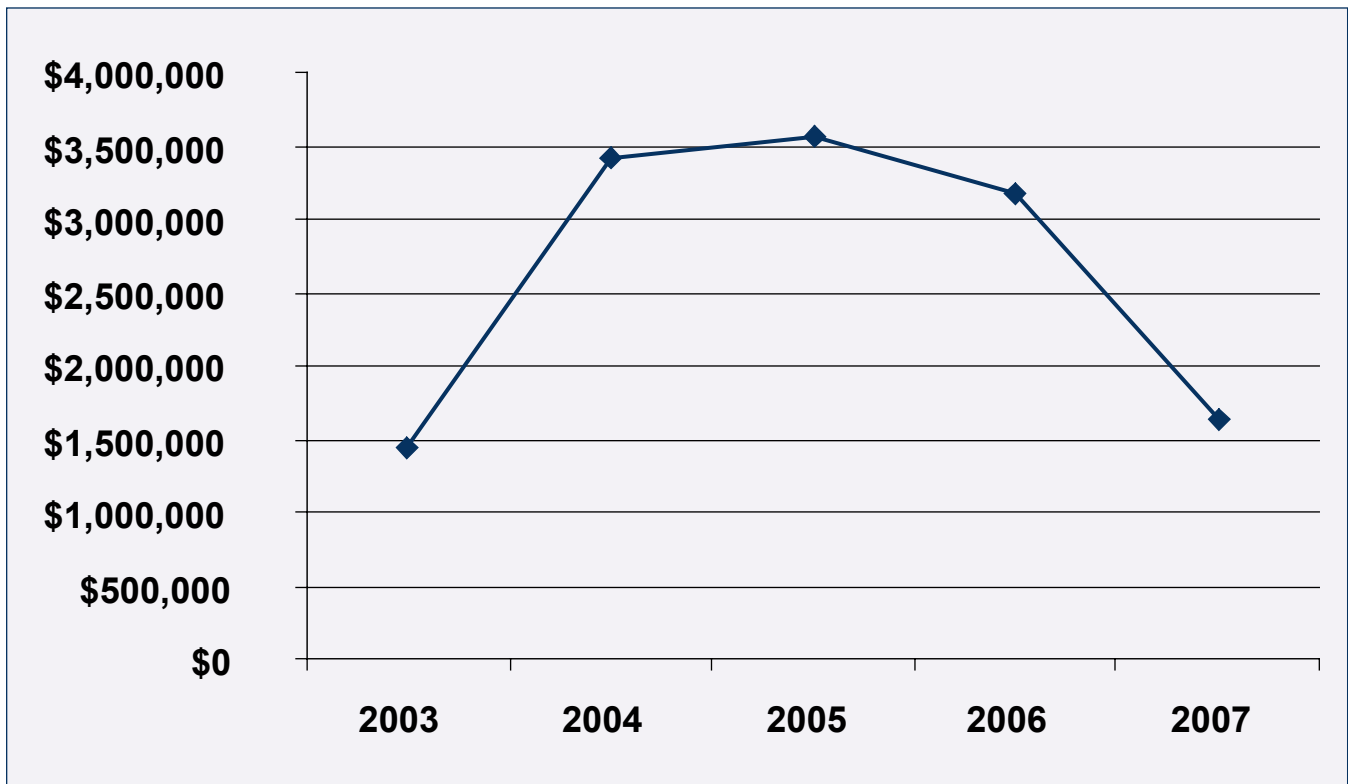
- To keep the City's water distribution system in peak operating condition through preventative and emergency maintenance.
- To coordinate with neighboring jurisdictions in case of emergency or on an as needed basis to keep the water supply uninterrupted.

**Performance Measure:**

- To respond to service interruptions and water main breaks within four hours of notification, 100% of the time.

## WATER DISTRIBUTION

### BUDGET TREND: FY 2003-2007



2003	2004	2005	2006	2007
1,435,355	3,420,829	3,565,962	3,177,507	1,637,928
	138.33%	4.24%	-10.89%	-48.45%

**Notes:**

- Increase in FY 2004 due to establishment of water renewal and replacement (R&R) funds (\$2,000,000).
- Decrease in FY 2007 reflects R&R program schedule, with no additional R&R funds necessary in this fiscal year.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Distribution</b>					
Salary Reg	560,720	610,261	610,261	597,168	-2.15%
Salary OT	143,489	120,000	120,000	150,000	25.00%
SalaryTemp	5,213	-	-	27,000	0.00%
FICA	50,244	46,601	46,601	57,646	23.70%
CityRetire	4,713	-	-	11,943	100.00%
Health	76,041	88,589	88,589	97,447	10.00%
Group Life	4,128	5,155	5,155	5,155	0.00%
Disability	3,034	3,761	3,761	3,761	0.00%
Wrkrs Comp	18,761	-	-	18,761	100.00%
Sectn 125	489	-	-	489	100.00%
Defrd Comp	6,487	6,890	6,890	6,370	-7.55%
Prof Svcs	199,386	225,000	225,000	225,000	0.00%
Repairs	44,009	50,000	50,000	50,000	0.00%
Mntnc/Srvc	-	4,000	4,000	4,000	0.00%
Paving	27,325	50,000	50,000	50,000	0.00%
Other Svc	350	35,000	35,000	35,000	0.00%
Electric	2,288	6,000	6,000	6,000	0.00%
Naturl Gas	6,490	6,000	6,000	6,000	0.00%
Telecom	847	500	500	1,000	100.00%
Eqpmnt Rnt	259	2,000	2,000	2,000	0.00%
Rental	-	75,000	75,000	78,000	4.00%
Confernces	925	2,500	2,500	2,500	0.00%
Training	1,180	1,500	1,500	1,500	0.00%
DuesMember	254	150	150	150	0.00%
SpecActvty	-	1,000	1,000	1,000	0.00%
OfficeSupp	1,530	600	600	600	0.00%
Rep Maint	164,278	200,000	200,000	200,000	0.00%
Uniforms	4,362	6,000	6,000	7,500	25.00%
OthrOpSupp	6,846	10,000	10,000	10,000	0.00%
SmallTools	4,725	2,000	2,000	2,000	0.00%
SafetyEq	2,509	3,000	3,000	3,000	0.00%
Traffic	249	1,000	1,000	1,500	50.00%
Machinery	-	-	-	1,500	100.00%
Vehicles	34,190	15,000	15,000	30,000	100.00%
Water	797,970	1,600,000	1,600,000		-100.00%
	2,173,291	3,177,507	3,177,507	1,693,991	-46.69%

# WATER FUND

## WATER CONNECTIONS – FY 2006-2007

This service provides for the labor, equipment and materials for new domestic water service connections. Funding also provides for the maintenance and replacement of existing water services as required.

**Employees:** 2.0 - Senior Maintenance Workers  
1.0 - Senior Equipment Operator  
1.0 - Field Supervisor  
1.0 - Maintenance Worker

**Objectives:**

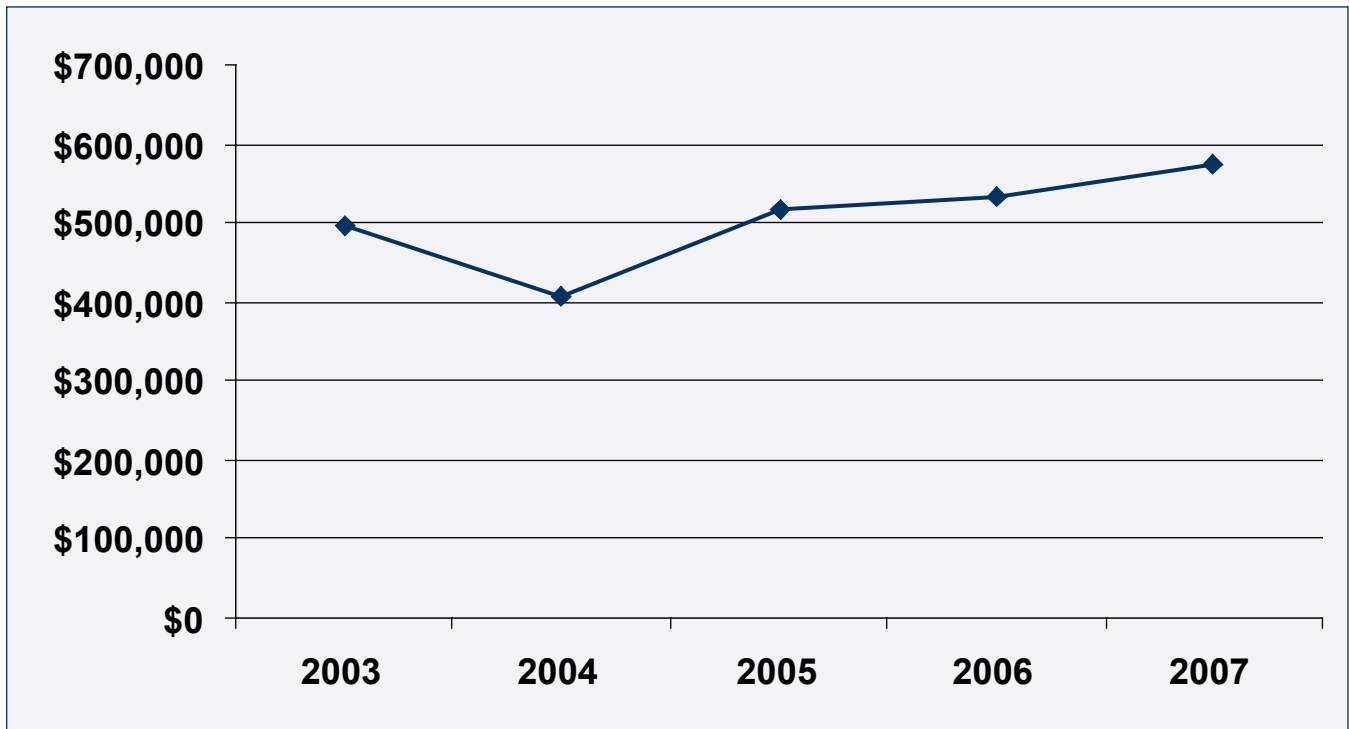
- To provide support for installation of approximately 300 new house services in the water system, and relocation of approximately 150 services throughout the distribution system in the City and Fairfax County.
- Provide for the labor, equipment and materials for the complete installation of all house services from the water main to the water meter located at the property line.
- Assist with the distribution system maintenance section on the repair of water main breaks whenever additional manpower is required.

**Performance Measures:**

- Tap installations to be completed within 14 days for multifamily projects.
- Actual average costs for service installations to be less than or equal to fees charged.

## WATER CONNECTIONS

### BUDGET TREND: FY 2003-2007



2003	2004	2005	2006	2007
497,716	407,785	515,848	534,700	571,835
	-18.07%	26.50%	3.65%	6.94%

**Notes:**

- FY 2003 No equipment purchases.
- FY 2005 Increase reflects purchase of a new backhoe.
- FY 2006 Increase reflects purchase of a new dump truck.
- FY 2007 Increase reflects purchase of a new pickup truck and cost of material.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Water Connections</b>					
Salary Reg	63,434	228,422	228,422	236,775	3.66%
Salary OT	2,708	7,500	7,500	7,500	0.00%
FICA	16,546	17,474	17,474	18,886	8.08%
CityRetire	1,843	-	-	4,736	100.00%
Health	27,181	36,347	36,347	39,982	10.00%
Group Life	1,649	1,930	1,930	1,930	0.00%
Disability	1,220	1,407	1,407	1,407	0.00%
Wrkrs Comp	6,369	11,000	11,000	11,000	0.00%
Sectn 125	-	120	120	120	0.00%
Defrd Comp	2,131	2,600	2,600	2,600	0.00%
Prof Svcs	-	500	500	500	0.00%
Repairs	750	1,500	1,500	10,000	566.67%
Telecom	27	-	-	500	100.00%
Rental	-	14,000	14,000	22,500	60.71%
Confernces	-	1,000	1,000	2,000	100.00%
Rep Maint	3,732	2,000	2,000	5,000	150.00%
Uniforms	1,449	1,500	1,500	2,500	66.67%
OthrOpSupp	68,692	125,000	125,000	175,000	40.00%
SmallTools	1,373	900	900	900	0.00%
SafetyEq	3,093	1,000	1,000	1,500	50.00%
Traffic	-	500	500	1,500	200.00%
WaterMeter	37,722	-	-	-	0.00%
Vehicles	616	80,000	80,000	25,000	-68.75%
	240,535	534,700	534,700	571,835	6.94%

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Debt Service</b>					
Interest				75,000	100.00%
Principal				75,000	100.00%
	-	-	-	150,000	100.00%
<b>Transfers</b>					
Transfer	4,625,874	4,625,874	4,625,874	2,453,000	-46.97%
Transfer	-	-	-	-	0.00%
Trnsfr WIF	-	6,800,000	6,800,000	15,965,000	134.78%
	4,625,874	11,425,874	11,425,874	18,418,000	61.20%





## SEWER FUND



CITY  
OF **FALLS**  
**CHURCH**



ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Summary - Sewer Fund Revenues</b>					
Charges for Services	2,731,555	2,699,503	2,699,503	2,461,362	-8.82%
Investment Revenues	79,409	15,000	15,000	40,000	166.67%
Interfund Operating Transfers	-	728,311	728,311	950,311	30.48%
Dispositions & Sales	489	-	-	-	0.00%
	2,811,453	3,442,814	3,442,814	3,451,673	0.26%
<b>Summary - Sewer Fund Expenditures</b>					
Sewer Administration	368,556	420,844	420,844	407,746	-3.11%
Customer Services	38,524	46,931	46,931	47,405	1.01%
Collections & Disposal	1,636,204	1,691,163	1,691,163	1,681,994	-0.54%
Transfers	-	-	-	950,311	100.00%
	2,043,283	2,158,938	2,158,938	3,087,456	43.01%



ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>SEWER REVENUE FUND</b>					
<b>Charges for Services</b>					
Service	2,032,431.17	2,533,502.54	2,533,502.54	2,235,362.09	-11.77%
Connection	-	1,000.00	1,000.00	1,000.00	0.00%
Fairfax	257,851.75	-	-	-	0.00%
Availabili	303,942.50	100,000.00	100,000.00	100,000.00	0.00%
Carrying	137,329.92	65,000.00	65,000.00	125,000.00	92.31%
	2,731,555.34	2,699,502.54	2,699,502.54	2,461,362.09	-8.82%
<b>Investment Revenues</b>					
Interest	79,409.18	15,000.00	15,000.00	40,000.00	166.67%
	79,409.18	15,000.00	15,000.00	40,000.00	166.67%
<b>Interfund Operating Transfers</b>					
Bond Sale	-	-	-	222,000.00	0.00%
FundBalanc	-	728,311.00	728,311.00	728,311.00	0.00%
	-	728,311.00	728,311.00	950,311.00	30.48%
<b>Dispositions &amp; Sales</b>					
Misc	488.92	-	-	-	0.00%
	488.92	-	-	-	0.00%
Total	2,811,453.44	3,442,813.54	3,442,813.54	3,451,673.09	0.26%

# SEWER FUND

## SEWER ADMINISTRATION – FY 2006-2007

The Department of Environmental Services provides management and oversight of the City's sewer system, including related planning, design, construction, and rehabilitation of the system, which serves the City's 10,000 residents. The sanitary sewer system is comprised of 4,000 accounts, 44 miles of sewer mains, and 932 manholes. More than one million gallons of sewage is collected per day and sent to treatment plants in Fairfax and Arlington County. In addition, funding is used to develop and implement capital improvements needed to provide high quality and reliable service.

**Employees:**

- 0.05 - General Manager
- 0.05 - Engineering Technician
- 0.05 - Water & Sewer Inspectors (2)
- 0.05 - Public Utilities Director
- 0.05 - Utilities Engineer
- 0.05 - Senior Administrative Assistant
- 0.05 - Administrative Assistant
- 0.05 - Engineering Assistant

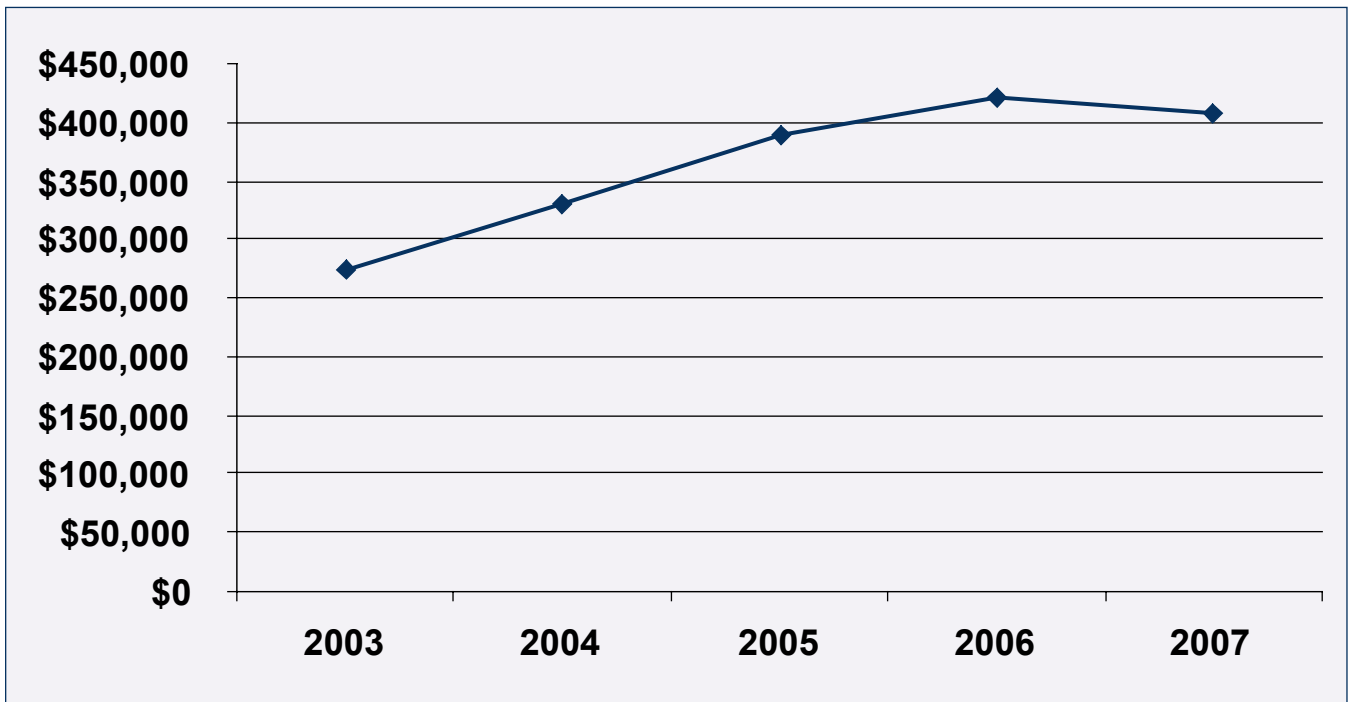
**Objective:**

- Complete the annual sewer-lining program on schedule and within budget, to be completed no later than June 30, 2007.

**Performance Measures:**

- Respond to customer and citizen inquiries within 24 hours.
- Line approximately 4000 feet of sewer main per year.
- Complete recommendations with alternatives for removal of sump pumps and roof drains by June 30, 2007.

**SEWER ADMINISTRATION**  
**BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
275,116	330,865	388,330	420,844	407,746
	20.26%	17.37%	8.37%	-3.11%

**Notes:**

- Increase in FY 2004 due to increase in administrative cost transfer.
- Increase in FY 2005 due to increase in administrative cost transfer and increase in payment in lieu of taxes.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Sewer Administration</b>					
Salary Reg	32,870	37,540	37,540	33,859	-9.81%
Salary OT	287	250	250	250	0.00%
SalaryTemp	-	-	-	10,000	100.00%
FICA	2,143	2,595	2,595	784	-69.78%
CityRetire	-	-	-	677	100.00%
Health	2,319	2,514	2,514	2,766	10.00%
Group Life	223	317	317	317	0.00%
Disability	164	231	231	231	0.00%
Wrkrs Comp	212	-	-	212	100.00%
Defrd Comp	340	346	346	-	-100.00%
Admin	261,387	275,000	275,000	275,000	0.00%
Pension	1,518	2,000	2,000	2,000	0.00%
Prof Svcs	-	7,500	7,500	7,500	0.00%
Repairs	-	25,000	25,000	5,000	-80.00%
Mntnc/Srvc	-	600	600	600	0.00%
Prnt/Bndng	268	500	500	500	0.00%
Cntrl Copy	-	-	-	-	0.00%
Telecom	1,220	550	550	750	36.36%
Auto Insrc	12,900	25,600	25,600	27,000	5.47%
PILOT	37,128	40,000	40,000	40,000	0.00%
OthrOpSupp	-	300	300	300	0.00%
Bad Debt	2,608	-	-	-	0.00%
Depreciati	12,970	-	-	-	0.00%
	368,556	420,844	420,844	407,746	-3.11%



# SEWER FUND

## CUSTOMER SERVICE – FY 2006-2007

This Division provides billing and mailing operation for 4,005 sewer accounts within the City's sewer system service area. Responsibilities include meter reading, billing, mailing and collection of all sewer bills for the system's customers. Customer Service Representatives assist customers over the phone with common questions as well as help those who wish to pay their sewer bill in person at City Hall. Trained technicians install new meters, repair and replace existing meters and perform various testing to existing meters to ensure efficiency.

**Employees:**

- 0.05 - Utilities Customer Service Director
- 0.05 - Utilities Accounting Technician
- 0.05 - Senior Customer Service Reps (3)
- 0.05 - Customer Service Reps (2)
- 0.05 - Crew Leader (1)
- 0.05 - Meter Readers (3)
- 0.05 - Meter Technicians (2)
- 0.05 - Field Technician (1)

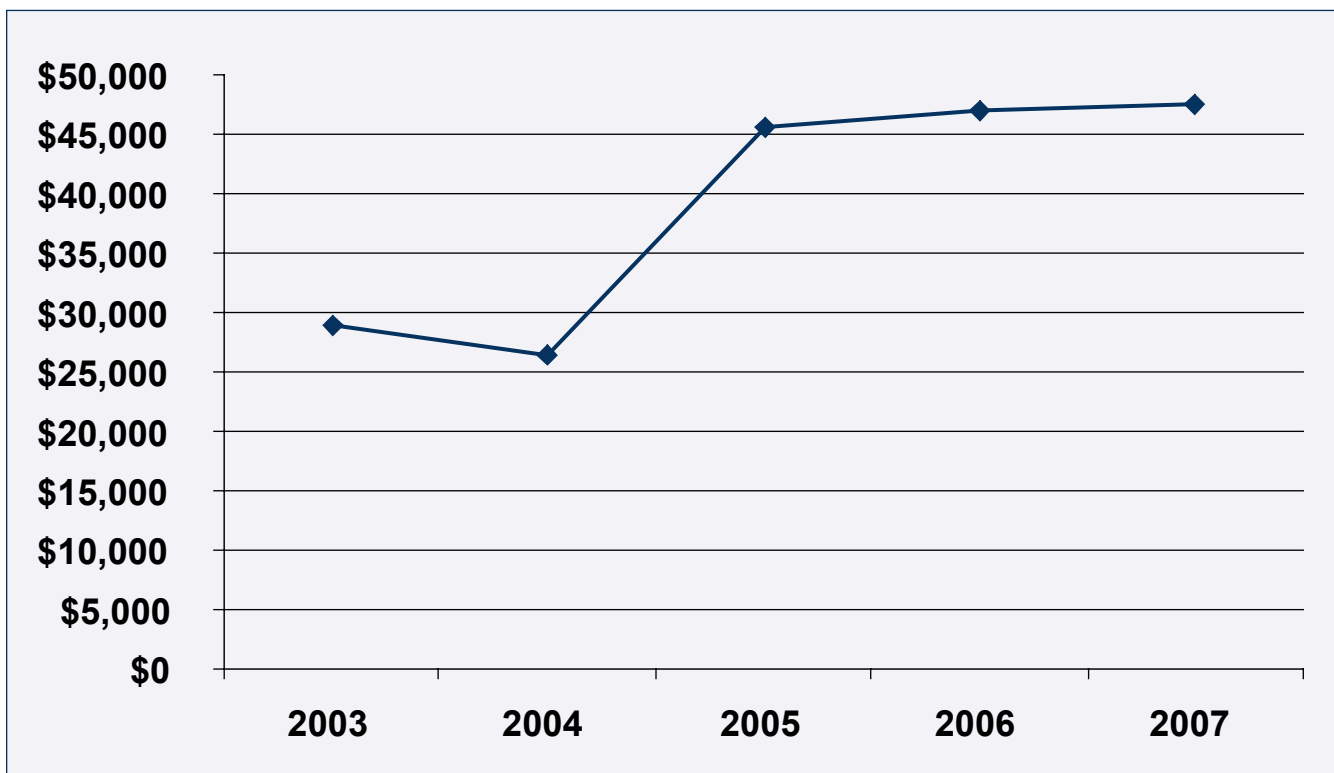
**Objectives:**

- Continue with the change out of all residential and commercial water meters with new meters for more accurate billing. The implementation will include AMR (Automatic Meter Reading) capability.
- Provide 100% accurate sewer reports to Fairfax County in a timely manner.
- Directly serve the public through timely and outstanding service 100% of the time.

**Performance Measures:**

- To ensure a 99% accuracy rate for water/sewer billing.
- Ensure timeliness of preparation of reports for Fairfax County.
- To ensure 100% of customer correspondence received via US mail is handled within three working days and all telephone calls are handled the day they are received.

**CUSTOMER SERVICE – SEWER  
BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
28,865	26,504	45,613	46,931	47,405
	-8.18%	72.10%	2.89%	1.01%

**Note:**

- 5% of Meter Reader and Meter Technician salaries included in the Sewer Budget.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Customer Services</b>					
Salary Reg	30,210	32,989	32,989	33,103	0.34%
Salary OT	930	-	-	-	0.00%
FICA	2,292	2,524	2,524	2,552	1.13%
CityRetire	-	-	-	662	100.00%
Health	3,520	4,216	4,216	4,638	10.00%
Group Life	228	279	279	279	100.00%
Disability	167	203	203	203	100.00%
Wrkrs Comp	18	708	708	708	0.00%
Defrd Comp	287	312	312	260	-16.67%
Prof Svcs	-	1,500	1,500	1,200	-20.00%
Mntnc/Srvc	-	500	500	500	0.00%
Prnt/Bndng	210	500	500	500	0.00%
Postage	12	2,200	2,200	1,800	-18.18%
Confernces	190	500	500	500	0.00%
OthrOpSupp	461	500	500	500	0.00%
	38,524	46,931	46,931	47,405	1.01%

# SEWER FUND

## COLLECTION AND DISPOSAL – FY 2006-2007

This cost center funds the collection and disposal of City wastewater as well as the maintenance of wastewater facilities. It includes the City's share of capital improvements to the Arlington and Alexandria wastewater treatment plants, as the City does not have its own wastewater treatment plant. Also included are maintenance activities such as flushing approximately 225,000 linear feet of sewer mains when needed to keep sewer mains flowing at their full capacity. In addition, funds provide for rehabilitation of old sewer lines by lining them with fiberglass - a more cost-effective method of upgrading system capacity than excavation and replacement of deteriorating sewer pipelines.

**Employees:** 2.0 - Maintenance Worker  
1.0 - Crew Leader

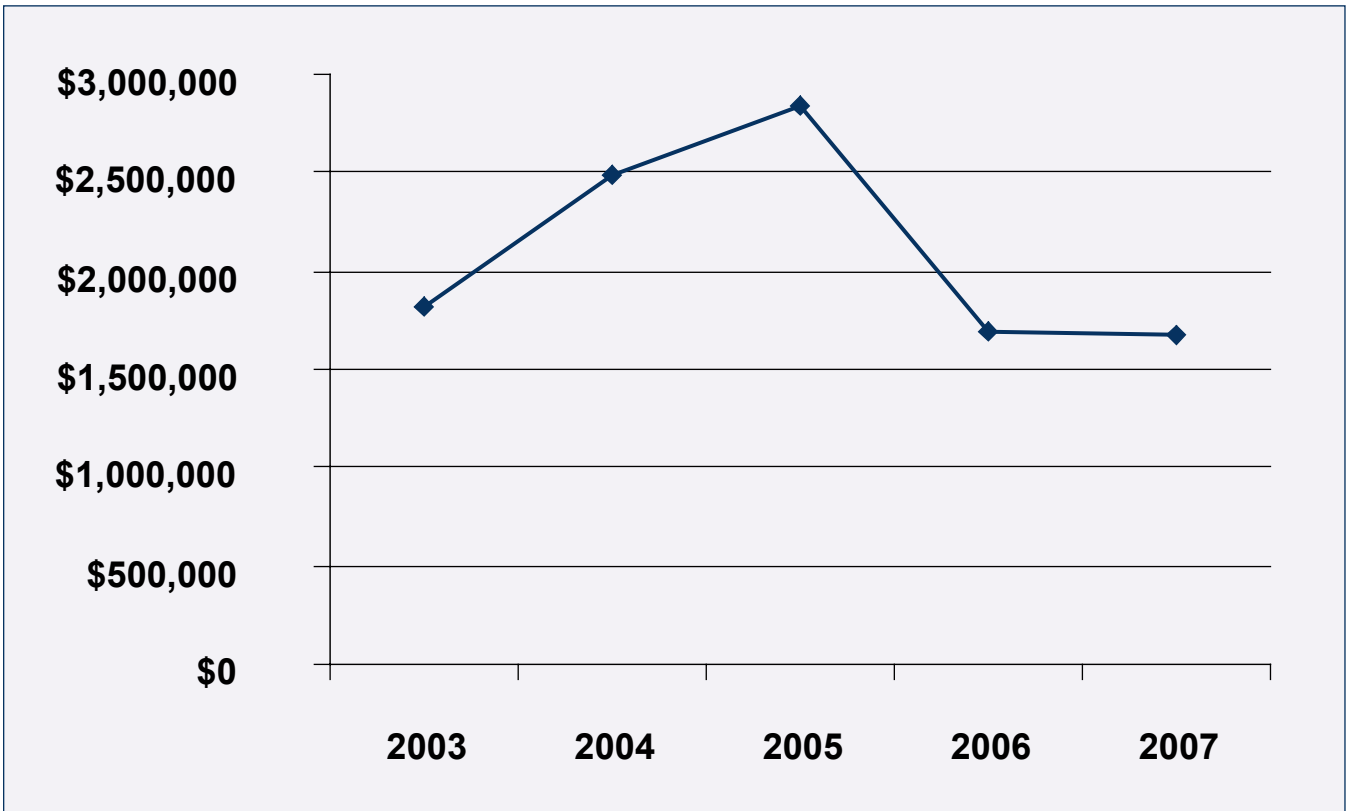
**Objectives:**

- Provide for the efficient collection and disposal of the City wastewater and the routine maintenance of the wastewater facilities.

**Performance Measures:**

- To flush approximately 160,000 linear feet of sewer per quarter.
- To provide inspection for approximately 2,500 linear feet of sewer with CCTV equipment per quarter.
- To clean approximately 250 manholes per quarter.
- Line approximately 4,000 linear feet of old sewer pipes with Insituform by June 30, 2007.

**COLLECTION AND DISPOSAL  
BUDGET TREND: FY 2003-2007**



2003	2004	2005	2006	2007
1,817,085	2,492,113	2,846,181	1,691,163	1,681,994
	37.15%	14.21%	-40.58%	-0.54%

**Notes:**

- Increase in FY 2004 is due to increase in capital costs for the Arlington Wastewater Treatment (WWTP) project, and also new funding for the sewer rehabilitation project. In addition, the City purchased additional wastewater treatment capacity from Arlington.
- Increase in FY 2005 is the result of a further increase in the capital costs for the Arlington WWTP.
- The decrease in FY 2006 is a result of changing from pay as you go to long term debt financing for the Arlington WWTP improvements. Also the funds for the sewer rehabilitation program were transferred into the Capital Improvements Program.

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	2007 REQUESTED	PERCENT CHANGE
<b>Collection &amp; Disposal</b>					
Salary Reg	80,240	105,470	105,470	95,251	-9.69%
Salary OT	4,779	5,000	5,000	5,000	0.00%
FICA	6,826	8,451	8,451	7,749	-8.31%
CityRetire	752	-	-	1,905	0.00%
Health	11,625	15,402	15,402	16,943	10.00%
Group Life	675	891	891	891	0.00%
Disability	495	650	650	650	0.00%
Wrkrs Comp	1,616	-	-	1,616	100.00%
Defrd Comp	843	1,040	1,040	1,040	0.00%
Repairs	860	-	-	-	0.00%
Mntnc/Srv	-	15,000	15,000	15,000	0.00%
Capital	1,512,945	1,507,859	1,507,859	1,500,000	-0.52%
Motor Pool	7,500	-	-	-	0.00%
Telecom	13	-	-	-	0.00%
Rental	-	8,000	8,000	12,500	56.25%
Rep Maint	4,291	17,500	17,500	17,500	0.00%
Veh Equip	-	1,000	1,000	1,000	0.00%
Uniforms	795	1,250	1,250	2,000	60.00%
OthrOpSupp	865	1,000	1,000	1,000	0.00%
SmallTools	-	2,050	2,050	250	-87.80%
SafetyEq	388	500	500	1,500	200.00%
Traffic	-	100	100	200	100.00%
Vehicles	697	-	-	-	0.00%
	1,636,204	1,691,163	1,691,163	1,681,994	-0.54%

ACCOUNT DESCRIPTION	2005 ACTUAL	2006 ORIGINAL BUDGET	2006 REVISED BUDGET	<b>2007 REQUESTED</b>	PERCENT CHANGE
<b>Transfers</b>					
Trnsfr SWIF	-	-	-	950,311	100.00%
	-	-	-	950,311	100.00%





**FIVE-YEAR  
CAPITAL  
IMPROVEMENTS  
PROGRAM**



CITY  
OF **FALLS**  
**CHURCH**



# FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM

FISCAL YEAR 2007 – 2011

## Introduction

The development of the City's Five-Year Capital Improvements Program (CIP) allows the City to take the shared and competing visions for the development of our public facilities through a disciplined evaluation process. By identifying projects and capital needs several years into the future, the City accomplishes the following objectives:

- Cost estimates for long-term objectives and identified needs are linked to available resources, and placed on a schedule for implementation.
- Major expenditures are scheduled in the context of a balanced Annual Operating Budget and a five-year financial forecast.

A capital project is defined as a new, one-time project with a useful life of more than one year, and costing \$100,000 or more. The cost estimates included in the CIP are intended to capture the entire estimated project cost, including, as applicable, land acquisition, design, negotiated agreements, and construction. The total request for each project is evaluated and, based upon funding, is prioritized to meet the needs of the City.

The Planning Commission completed its review of this CIP on February 6, 2006.

City Manager's Recommended Capital Improvements Program  
General Fund and School Fund  
FY2007 - FY2011 Summary Table

CIP PROJECTS -- GENERAL FUND	FY2007	FY2008	FY2009	FY2010	FY2011	Project Totals
ADMINISTRATIVE SERVICES						-
Integrated Library System Upgrade	127,000					127,000
Telephone System Replacement		250,000				250,000
Total Technology	127,000	250,000	-	-	-	377,000
AFFORDABLE HOUSING						-
Acquisition and Development	150,000	2,000,000	-	-	-	2,150,000
Total Affordable Housing	150,000	2,000,000	-	-	-	2,150,000
PUBLIC SAFETY						-
Fire Station Upgrades	-	-	-	-	200,000	200,000
Ladder Truck	-	-	750,000	-	-	750,000
Police Facility Study	100,000	-	-	-	-	100,000
Radio Upgrade -- "Smartzone"	-	-	329,939	-	-	329,939
Total Public Safety	100,000	-	1,079,939	-	200,000	1,379,939
PUBLIC WORKS						-
Broad Street Improvements/Village Section	300,000	300,000	300,000	300,000	300,000	1,500,000
City Facilities Reinvestment	140,000	150,000	150,000	150,000	150,000	740,000
City Hall Improvements	100,000	330,000	5,000,000	-	-	5,430,000
Property Yard Relocation	-	250,000	1,650,000	-	-	1,900,000
Storm Water Facility Improvements	640,000	640,000	640,000	640,000	640,000	3,200,000
Stream Bank Stabilization	150,000	-	-	-	-	150,000
Traffic Signal Mngmnt System (Grant Funded)	300,000	-	-	-	-	300,000
Transportation Improvements 1 (VDOT funded)	396,000	349,000	349,000	242,000	-	1,336,000
Transportation Improvements 2 (Grant funded)		300,000				300,000
Total Public Works	2,026,000	2,319,000	8,089,000	1,332,000	1,090,000	14,856,000
RECREATION & PARKS						-
Acquisition of Open Space	-	-	-	-	-	-
Athletic Fields -- General		475,000				475,000
Athletic Fields -- TJ Elementary	200,000					200,000
Community Center Generator	125,000					125,000
Fraday Park Plan Implementation	160,000		-	-	-	160,000
Park Master Plan Implementation	100,000	100,000	150,000			350,000
Park Mater Plan Implementation -- Hamlett		150,000				150,000
Skate Park	-	-	160,000	-	-	160,000
Total Recreation & Parks	585,000	725,000	310,000	-	-	1,620,000
SCHOOLS						
Enrollment Study	100,000	-	-	-	-	100,000
Facility Planning, Long Term	-	650,000	-	-	-	650,000
Future Construction	-	-	-	800,000	25,000,000	25,800,000
Property Acquisition	-	-	-	-	-	-
Systems Replacement Renewal Modernization	575,000	150,000	185,000	150,000	150,000	1,210,000
Total Schools	675,000	800,000	185,000	950,000	25,150,000	27,760,000
TOTAL GENERAL FUND	3,386,000	3,844,000	9,663,939	2,282,000	26,440,000	45,615,939
						5 year totals
Grant Funded	696,000	649,000	349,000	242,000		1,936,000
Bond Funded	-	2,000,000	5,000,000	-	25,000,000	32,000,000
"Pay as you Go" Funded	2,690,000	1,195,000	4,314,939	2,040,000	1,440,000	11,679,939

## Policy Issues

The Five-Year CIP for the period of FY 2007 through FY 2011 continues past commitments and addresses new challenges for the first time. As with last year's CIP, major funding is provided for City Hall improvements, transportation improvements on the primary corridors, and open space acquisition. The CIP continues the City's strong tradition of maintaining the best possible school facilities, and with the successful completion of the Mary Ellen Henderson Middle School, and the final site plan approval and funding for the Mount Daniel expansion, the focus now shifts to long-term facility planning.

Several new challenges are addressed in this CIP for the first time. The most significant example is a project to help stem the loss of affordable housing. Two smaller projects to fund new technology for City Hall and the Mary Styles Library are also new to the CIP this year. This CIP also builds on past efforts to address the City's transportation infrastructure, by looking beyond the primary corridors and setting the stage for residential street enhancements for traffic calming and pedestrian amenities.

Major policy initiatives in this CIP include:

*Affordable Housing:* For the first time, this CIP will present the Planning Commission with a proposal for significant City funding to help address the loss of affordable housing. The basic strategy is to seek a public-private partnership to support the development of new affordable housing in the City. Funding in the amount of \$150,000 is proposed for FY 2007 for the planning phase. Major funding in FY2008 is requested to allow the City to leverage by state and federal resources in a meaningful way. Housing and Human Services Staff projects that \$2 million could leverage approximately \$35 million in private investment with state and federal incentives toward an affordable housing development or series of projects.

*Recreation & Parks:* The Task Force on Open Space Acquisition has completed its report to the City Council. The Report contains an acquisition plan for meeting the City's open space needs, and the recommendations in this plan are carried forward in Recreation & Parks section of this CIP. It is anticipated that a presentation by the Open Space Task Force will coincide with the Planning Commission's review of the Recreation & Parks items in the CIP.

The project named "Open Space Acquisition" carries forward the funding that was approved in the FY 2006 Budget. With the pending purchase of the Hamlett Tract, a balance of \$2,210,000 will carry forward to FY 2007.

Two new projects dealing with Athletic Field upgrades are also in line with the recommendations of the Open Space Task Force, as well as the long standing goals of the Advisory Board of Recreation & Parks.

*City Hall Improvements:* The planning for the City Hall Improvements are moved forward one year, with additional funding provided in FY 2007 to begin the feasibility and conceptual planning for this project. This first phase of planning will include an assessment of the long-term space needs for the Police Department. The engineering and design phase is scheduled for FY 2008 and construction funds are planned for FY 2009, as was presented in last year's CIP.

*Transportation:* Last year's CIP scheduled the funding stream available through VDOT's Six-Year Improvement Program (SYIP) for transportation improvements on the primary corridors of Route 7 and Route 29 in the City. The immediate focus of funding and effort is on those areas of the City experiencing significant redevelopment. These increases in density must be accommodated with new roadway and intersection designs that accomplish the two goals of protecting the downtown commercial atmosphere and moving vehicles efficiently. The reconciliation of these two, often conflicting, goals is a major challenge and vital component of the economic success of our commercial corridors.

*Schools:* The past two years have been years of active construction and renewal. The City has witnessed the completion of the new Mary Ellen Henderson Middle School and new science labs at George Mason High School, and the final planning and full funding for improvements at Mount Daniel.

This CIP reflects a shift back to long term planning for school facility needs to prepare for the a future round of construction in the out years. This planning effort requires funding for a new enrollment study and a new long-term facilities study in FY 2007. These two efforts will form the foundation of the next round of school facility planning.

The CIP contains funding for the next major school construction project in 2011. This funding allocation of \$25 million in 2011 has a significant influence on overall capital spending by the City in the intervening years. It will be necessary to minimize the use of debt financing to meet other City capital needs, if the City is to stay within its adopted debt service policy limits.

Summary of the School Board Requested CIP:

	FY2007	FY2008	FY2009	FY2010	FY2011	Project Totals
<b>SCHOOLS</b>						
Enrollment Study	100,000	-	-	-	-	100,000
Facility Planning, Long Term	650,000	-	-	-	-	650,000
Future Construction	-	-	-	800,000	25,000,000	25,800,000
Property Acquisition	600,000	600,000	600,000	600,000	600,000	3,000,000
Systems Replacement Renewal Modernization	575,000	150,000	185,000	150,000	150,000	1,210,000
<b>Total Schools</b>	<b>1,925,000</b>	<b>750,000</b>	<b>785,000</b>	<b>1,550,000</b>	<b>25,750,000</b>	<b>33,760,000</b>

The City Manager's recommendation is for an alternative Capital Improvements Program with two changes:

- Move the Long Term Facility Planning project from the FY 2007 year to the FY 2008 year.
- Remove the property acquisition in each year from 2007 through 2001 pending the development of land acquisition plan.

These recommendations are reflected in the summary chart shown on the second page of this section.

<b>City Manager's Recommended Capital Improvements Program</b> <b>Water and Sewer Utility Funds</b> <b>FY2007 - FY2011 Summary Table</b>						
CIP PROJECTS -- UTILITY FUNDS	FY2007	FY2008	FY2009	FY2010	FY2011	Project Totals
<b>WATER UTILITY</b>						
Arlington Special Pumping Station	115,000	-	-	-	-	115,000
AMR Meter Replacement Project	3,000,000	-	-	-	-	3,000,000
Chesterbrook Pump Station Upgrades	325,000	135,000	-	-	-	460,000
Property Yard Relocation	-	2,050,000	-	1,650,000	-	3,700,000
SCADA System Improvements	700,000	-	-	-	-	700,000
Seven Corners System Improvements	200,000	250,000	1,100,000	-	-	1,550,000
Washington Aqueduct Residuals Disposal	9,000,000	800,000	800,000	-	-	10,600,000
Water Main Replacement (Route 50)	2,300,000	2,860,000	-	-	-	5,160,000
Water Main Replacement Program	-	-	2,000,000	2,000,000	2,000,000	6,000,000
Water Utility Security	325,000	-	-	-	-	325,000
<b>Total Water Utility</b>	<b>15,965,000</b>	<b>6,095,000</b>	<b>3,900,000</b>	<b>3,650,000</b>	<b>2,000,000</b>	<b>31,610,000</b>
	<b>12,850,000</b>	<b>6,095,000</b>	<b>3,900,000</b>	<b>3,650,000</b>	<b>2,000,000</b>	<b>5 year totals</b>
	<b>3,115,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,495,000</b>
<b>SEWER UTILITY</b>						
Arlington Wastewater Treatment Plant Upgrades	222,000	357,000	466,000	509,000	509,000	2,063,000
Fairfax Wastewater Treatment Plant Upgrades	328,311	328,311	328,311	328,311	328,311	1,641,555
Falls Church Sewer Rehabilitation	400,000	400,000	400,000	400,000	400,000	2,000,000
<b>Total Sewer Utility</b>	<b>950,311</b>	<b>1,085,311</b>	<b>1,194,311</b>	<b>1,237,311</b>	<b>1,237,311</b>	<b>5,704,555</b>
	<b>222,000</b>	<b>357,000</b>	<b>466,000</b>	<b>509,000</b>	<b>509,000</b>	<b>5 year totals</b>
	<b>728,311</b>	<b>728,311</b>	<b>728,311</b>	<b>728,311</b>	<b>728,311</b>	<b>2,063,000</b>
						<b>3,641,555</b>

As was the case in FY 2006, the principal new challenges to both the Water and the Sewer Utility Funds are capital costs incurred by our regional partners, which we must pass through in our rate schedules.

*Water Fund:* This CIP reflects the relatively flat demand curve for water in the area we serve. Projects are targeted to improvements that will improve water pressure and customer service in the existing system. This CIP fully funds a conversion to Automatic Meter Reading that began in FY 2006. This will bring about improvements in operational efficiency and improve the accuracy of meter readings, both of which will improve the financial standing of the utility. The "Solids Removal Project" at the Dalecarlia Treatment Plant constitutes the largest single capital project in the program. This project is being undertaken pursuant to federal mandate.

*Sewer Fund:* Upgrades at the Arlington County and Fairfax County wastewater treatment plants used by our system constitute the majority of the capital program for the Sewer Fund. The Sewer Rehabilitation Program is a continuation of the City's multi-year effort to either replace or provide new lining for our aging pipes, to reduce infiltration of groundwater.





